FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-93-139
Thursday
22 July 1993

Daily Report
East Asia

FBIS-EAS-93-139 CONTENTS *22 July 1993*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-ASIAN AFFAIRS

Common ASEAN Stand 'Unlikely' on APEC Meeting *[Bangkok THE NATION 16 Jul]* ... 1
Laos Reportedly Wants To Join ASEAN Group *[Singapore THE STRAITS TIMES 21 Jul]* ... 1
ASEAN Seeks To Reassert Role in Cambodia *[Bangkok THE NATION 22 Jul]* ... 1
ASEAN Drafts Communique on APEC Upgrade *[Bangkok BANGKOK POST 22 Jul]* ... 2
    Other Communique Issues Noted *[Singapore THE STRAITS TIMES 21 Jul]* ... 3
Growth Triangle Joint Business Council Planned *[Kuala Lumpur International]* ... 4

NORTHEAST ASIA

Japan

Miyazawa Announces Resignation at LDP Meeting *[Tokyo TV]* ... 5
    Quick Selection of Successor Urged *[KYODO]* ... 5
    Presidential Candidates Profiled *[KYODO]* ... 5
Party Leaders' Postelection Debate Continues *[Tokyo TV]* ... 6
Takeshita, Four Other Independents Join LDP *[KYODO]* ... 9
Hosokawa Hints at JNP Non-LDP Coalition Tie *[KYODO]* ... 9
Ozawa Favored at Keidanren Business Seminar *[KYODO]* ... 10
Yohei Kono: Political Reform Urgently Needed *[KYODO]* ... 10
Kajiyama's Nephew Linked to Bribery Case *[KYODO]* ... 10
Prosecutors: Kanemaru 'Deliberately Evaded' Taxes *[KYODO]* ... 11
    Kanemaru Pleads 'Not Guilty' *[KYODO]* ... 12
Mieno Says Economy To Make 'Weak Recovery' *[KYODO]* ... 12
MITI's Kumano: Economy May Not Dip Further *[KYODO]* ... 12
Shipbuilders Asking for Cut in Steel Prices *[KYODO]* ... 12
Firms Plan To Hire Fewer College Graduates *[KYODO]* ... 13
Police Raid Offices of Five Crime Syndicates *[KYODO]* ... 13

North Korea

Italian Chuche Group Head on Clinton's Remarks *[KCNA]* ... 13
Envoy to Finland: No Nuclear Arms Intention *[Helsinki Radio]* ... 13
Successful Holding of Pannational Rally Urged *[KCNA]* ... 14
Factories Hold Meetings Supporting South Labor *[KCNA]* ... 14
Former War Correspondent Yi Visits Mangyongdae *[KCNA]* ... 14
Bulgarian Envoy Presents Credentials *[KCNA]* ... 15
Cambodian Envoy Presents Credentials to Kim Il-song *[KCNA]* ... 15
Twenty Years of Relations With Denmark Observed *[KCNA]* ... 15
Kim Il-song Sends Message to Colombian President *[KCNA]* ... 15
WPK Sends Message to Ecuadoran Party Leader *[KCNA]* ... 15
Choe Tae-pok Meets PRC Group, Palestinian Envoy *[KCNA]* ... 15
Kim Il-song Receives Zhang Weihua's Family *[KCNA]* ... 16
Photo Exhibit, Film Show Mark Cuban Revolution *[KCNA]* ... 16
Yang Hyong-sop Attends Egyptian Envoy Reception *[KCNA]* ... 16
Supreme Commander Kim Chong-il Issues Order 0040 *[KCNA]* ... 16
Choe Kwang Article Marks War Anniversary *[Pyongyang Radio]* ... 16
O Chin-u Attends Veteran Promotion Ceremony *[Pyongyang Radio]* ... 24
27 Jul Defined as 'Day of Second Liberation' *[KCNA]* ... 25
Ability To Rebuild From Ruins of War Praised *[KCNA]* ... 26
Increase in Amount of Arable Land Noted *[KCNA]* ... 26

- * Importance of Science, Technology Emphasized *[NODONG SHINMUN 29 May]* ... 27

South Korea

- Reportage, Commentary on Results of U.S.-DPRK Talks ... 28
  - IAEA Spokesman's Comments Cited *[Seoul Radio]* ... 28
  - CHOSON ILBO Comments *[21 Jul]* ... 29
  - IAEA Urges Quick Resumption *[YONHAP]* ... 29
  - Editorial: Reaction Mixed *[THE KOREA HERALD 22 Jul]* ... 30
- Seoul Seeks To Prevent DRPK Exploiting Reactor Issue *[YONHAP]* ... 30
- Foreign Minister: Atmosphere for IAEA Talks Exists *[YONHAP]* ... 31
  - Reviews U.S.-DPRK Talks *[CHOSON ILBO 22 Jul]* ... 31
  - Discusses Talks With SEOUL SINMUN *[22 Jul]* ... 32
- Japanese Journalist Indicted for Secrets Violation *[YONHAP]* ... 34
- Unification Minister Returns From U.S. Visit *[YONHAP]* ... 34
- Presidential Aides Critical of Hyundai Management *[THE KOREA TIMES 22 Jul]* ... 34
  - Union To Strike Again 23, 24 Jul *[YONHAP]* ... 35
  - 2,500 Police Reinforcements Sent *[YONHAP]* ... 35
- Former Military Leaders Accuse No, Chon of 'Rebellion' *[YONHAP]* ... 36
- President Determined To Open Stock Markets Further *[THE KOREA TIMES 21 Jul]* ... 36
- Seoul Seeks Exception to GATT Import-Liberalization *[YONHAP]* ... 36
- 'Sensitive Atmosphere' in Military Noted *[TONG-A ILBO 20 Jul]* ... 37

SOUTHEAST ASIA

Burma

- NCGUB Issues Statement on Aung San Suu Kyi *[Radio DVOB]* ... 39
- Workers, Public Service Personnel Discuss Constitution *[Rangoon Radio]* ... 39
- BBC Interviews Rebel Foreign Minister ... 40
- Vessel Seized for Fishing in Restricted Zone *[Rangoon Radio]* ... 40

Brunei, Malaysia & Singapore

Malaysia

- Philippine Foreign Minister Arrives 21 Jul *[BERNAMA]* ... 40
- Daily Hails Results of Mahathir-Suharto Meeting *[NEW STRAITS TIMES 20 Jul]* ... 41
- PRC Moves for Healthy Economic Growth Rate Welcomed *[NEW STRAITS TIMES 20 Jul]* ... 41
- ASEAN Private Sector Urged To Advance EAEC Concept *[NEW STRAITS TIMES 20 Jul]* ... 41
- Two Former Communist Leaders Refuse To Return *[Singapore THE SUNDAY TIMES 18 Jul]* ... 42
- Illegal Immigrants Drown Swimming Ashore *[BERNAMA]* ... 42

Singapore

- Joint Naval Exercise With Malaysia Begins 20 Jul *[Singapore Radio]* ... 43

Cambodia

- Khieu Samphan Denounces U.S. Pressure, 'Ugly Face' *[Radio VGNUFC]* ... 43
- VGNUFC Editorial Views Current Situation ... 44
- Hor Namhong Receives Belgian Envoy 19 Jul *[Phnom Penh Radio]* ... 46
- Construction, Restoration Agreement Signed With Japan *[Phnom Penh Radio]* ... 46

Indonesia

- Suharto, PRC's Qiao Shi Discuss Spratlys Issue *[Jakarta Radio]* ... 47
- Rebel Faction Storms Indonesian Party Congress *[AFP]* ... 47
- Suharto Urges Opposition Party To Solve Problems *[Jakarta Radio]* ... 48

Thailand

Team Ready for U.S. Trade Talks *[PRACHACHAT THURAKIT 22-24 Jul]* 48
Source: Army To Buy U.S. Bell Helicopters *[BANGKOK POST 22 Jul]* 49
Army Commander Leaves for Russia 21 Jul *[Bangkok TV]* 50
Firms Count Cost of Switch to Copyrighted Software *[BANGKOK POST 21 Jul]* 50
Chuan Speaks at Banquet for Kazakh President *[Bangkok Radio]* 51
N. African Embassy To Be Established in Morocco *[Bangkok Radio]* 52
Navy Detains Trawler, Arrests 12 Vietnamese *[BANGKOK POST 21 Jul]* 52
SRV Province Invites Investments in Fisheries *[BANGKOK POST 22 Jul]* 52
Envoy To Ensure Cambodian Trade Contracts Honored *[Bangkok Radio]* 53
Finance Ministry Permanent Secretary Named *[BANGKOK POST 21 Jul]* 53
Police To Probe Legality of Seized Assets *[BANGKOK POST 22 Jul]* 54
AsiaSat Softens Stance in Satellite Squabble *[BANGKOK POST 22 Jul]* 54

Vietnam

IMF Delegation To Discuss Resumption of Loans *[Hanoi International]* 55
Deputy Foreign Minister Visits Libya 17-20 July *[VNA]* 56
  Discusses Regional Cooperation *[Hanoi Radio]* 56
National Assembly Chairman Receives Egyptian Envoy *[VNA]* 57
  Receives Malaysian Envoy *[VNA]* 57
Function Marks 40th Anniversary of Cuban 'Victory' *[VNA]* 57
Tokyo Seminar Discusses Hanoi Investment, Business *[VNA]* 57
Agreement With Australia Provides Commodities Aid *[VNA]* 58
Presidential Office Holds Press Conference on New Laws *[Hanoi Radio]* 58
  VNA Reports Press Conference 58
An Giang Deals With Corruption, Smuggling *[Hanoi Radio]* 58

AUSTRALASIA

Melanesian Spearhead Conference Held in Rabaul 59
  Solomons Premier Aims To Improve Ties *[Melbourne International]* 59
  Vanuatu Proposes Including Kanaks *[Melbourne International]* 59

Micronesia

Group Requests Compensation for U.S. Nuclear Tests *[Melbourne International]* 59

New Zealand

Winston Peters Announces New Political Party *[AFP]* 59

Common ASEAN Stand 'Unlikely' on APEC Meeting

BK1607034693 Bangkok THE NATION in English 16 Jul 93 p A2

[Text] ASEAN foreign ministers are unlikely to take a common stance on a US proposal to host an Asia-Pacific leaders summit before the end of the year, according to a senior Thai official.

The head of the Thai delegation to next week's ASEAN senior officials meeting in Singapore, Pracha Khunakasem, said he expected the issue would be raised during the ASEAN ministerial meeting even though it had not been included on the official agenda.

The senior officials' talks will be held in conjunction with the ministerial meehng.

"It will be raised in the process of discussion to compare notes on this question, but the final decision on this matter rests with the individual govemments," said Pracha.

US President Bill Clinton proposed earlier this month in Tokyo that the meeting of the Asia-Pacific Economic Co-operation group (Apec) scheduled for Seattle in November be elevated to a heads of government meeting.

ASEAN is a member of Apec, a loose consultative forum formed in 1989 which also includes the United States, Canada, Australia, New Zealand, Japan, China, Taiwan, South Korea and Hong Kong.

The Apec summit was initially mooted by Australia last year.

China has expressed strong opposition to the participation of both Hong Kong and Taiwan.

Laos Reportedly Wants To Join ASEAN Group

BK2107102393 Singapore THE STRAITS TIMES in English 21 Jul 93 p 27

[Text] Laos wants to join ASEAN and will discuss this at its meeting with the six-member regional group on Saturday.

The visiting Laotian Foreign Minister, Mr. Somsavat Lengsavat, told reporters yesterday that his country was keen to join ASEAN because it shared the group's objectives.

"We want to develop our country at a time when there is peace in the region. Our foreign policy is based on peace and cooperation with other countries, and this is similar to that of ASEAN's. We see there is a common objective in this regard," he said.

Mr. Somsavat, here for a two-day official visit beginning today at the invitation of Foreign Minister Wong Kan Seng, was speaking to reporters on his arrival at Changi Airport.

Laos signed the ASEAN Treaty of Amity and Cooperation last year. Its foreign minister is attending the ASEAN Ministerial Meeting here on Friday for the first time as an observer.

Mr. Somsavat, who was met on arrival by the Parliamentary Secretary (Foreign Affairs), Mr. Yatiman Yusof, said that he hoped to discuss ways of enhancing bilateral relations with individual ASEAN countries during the consultative meeting with the grouping.

On ties with Singapore, he said that he saw many possibilities of economic cooperation, particularly in trade, finance and tourism.

"I shall discuss with Mr. Wong how to further develop relations between Laos and Singapore," he said.

Mr. Somsavat is scheduled to meet Mr. Wong today. He will also visit the Monetary Authority of Singapore and the Trade Development Board.

ASEAN Seeks To Reassert Role in Cambodia

BK2207023693 Bangkok THE NATION in English 22 Jul 93 p A6

[By Kawi Chongkitthawon: "Asean Sets Its Eyes on Post-War Cambodia"]

[Text] The last-minute decision to invite Cambodian Foreign Minister Prince Norodom Sirivut to attend the Asean ministaial conference, beginning here tomorrow, is a good indication of Asean's renewed interest in post-election Cambodia.

In the beginning, it was decided that Cambodia's participation in the Asean meeting would be next year when Thailand plays host. This was based on the reasoning that as the interim government in Cambodia was still going through the process of consolidation, it should be given time to sort things out.

Later on, Asean changed its mind for two reasons.

Firstly, the senior officials' meeting was informed of Cambodia's desire, conveyed through Thailand and Indonesia, to attend the meeting as a guest. Secondly, it dawned upon Asean that the regional grouping should support the new governmant in Cambodia in whatever form it can as soon as possible.

After having played a low profile, the so-called "junior partner", when the Paris Peace Accords was signed in 1991, Asean now is determined to usher in Cambodia into Asean, even though the current government is provisional, with the hope that the future Cambodian government would be able to fit in the regional framework without any difficulties.

During the implementation of the Paris peace agreement, Asean countries in general have implemented the peace accords and subsequent UN resolutions—with the exception of Thailand, which shares a common border with Cambodia.

Bangkok has long maintained relations with the Cambodian factions, especially Khmer Rouge, and has had difficulties in convincing the international community of its commitment to the peace framework.

But Asean's greatest contribution towards the peace process in Cambodia has been in the effort to engage Vietnam and Laos in regional dialogues. With a new democratic government in Cambodia and subsequent linkage with Asean, the concept of Indochina as a bloc, no longer exists. The notion of a one Southeast Asia, comprising 10 countries including Burma, is becoming a reality. It will also be reinforced if all these countries accede to the Treaty of Amity and Cooperation.

In the post-election Cambodia, Asean is contemplating its new roles to assist Cambodia in building peace and stability as well as reconstructing and rehabilitating its war-shattered economy. Several ideas have been discussed in the past few months on long-term plans for the country.

One of them is the establishment of a new umbrella, under which the international community can intervene to defuse potentially explosive situation once the United Nations peacekeeping forces have been withdrawn in mid November. This same body can also serve as a coordinating office to handle international assistance to help Cambodia.

In addition, this new Asean body could oversee mine-clearing operation throughout Cambodia and monitoring the human rights situation there.

Although Asean has been forthcoming in its political and diplomatic endeavour in the peace process, the grouping has yet to demonstrate any real financial commitment. In view of financial constraints encountered by the United Nations, some Asean countries have suggested that the regional grouping should take up that role in sharing the burden of peacekeeping and peace building.

Within Asean, Thailand did provide various forms of aid, worth about Bt[baht]18 million, to Cambodia out of political considerations and necessity in the past three years.

Finally, Asean is hoping that when Southeast Asian nations come under one unit in the expanded Asean organization in the future, major issues such as trans-boundary problems like environmental destruction and subregional matters involving minorities could be tackled collectively. In the future, Asean would identify areas which it can work within the UN system to reconstruct Cambodia.

However, for a more immediate effect, Asean ministers will issue a statement on Cambodia. It will welcome the new Cambodian government and call on the international community to remain committed and engaged in the Indochinese country. It will call for a continued UN presence or its equivalent after the November deadline as well as urging Japan to play an active role in Cambodia's reconstruction. With a permanent govermnent in Phnom Penh, Asean is hoping to admit Cambodia as an observer and accede to the Asean treaty next year. As expected Cambodia is likely to become the first Indochinese country to join Asean in the near future.

ASEAN Drafts Communique on APEC Upgrade

BK2207043593 Bangkok BANGKOK POST in English 22 Jul 93 p 24

[Text] The draft communique expected to be adopted by ASEAN's annual ministerial meeting tomorrow and Friday appears to reject a US proposal to upgrade the Asia-Pacific Economic Cooperation (APEC) group into a forum for trade negotiations.

The draft says ASEAN reaffirms that APEC should be a "consultative body".

But after three days of "very serious discussions", the senior officials of Brunei, Indonesia, Malaysia the Philippines, Singapore and Thailand, preparing for their foreign ministers' meetings, were unable to reach a common stand on an invitation by US President Bill Clinton to attend an "informal APEC leadership summit" in Seattle this November.

APEC consists of the ASEAN six, Australia, New Zealand, China, Taiwan, Hong Kong, Japan, South Korea, the United States and Canada.

Senior officials from Thailand, Malaysia and Indonesia tried to downplay the split over the summit by saying that it was not "always" necessary for ASEAN to have a common position on "all issues".

"We form a common stance when it's in our interest, (but) when we feel each individual country can move along by itself, then that's fine with other ASEAN members," a senior Thai official said.

Another ASEAN diplomat said: "We are always for a unified stance but if we can't, we go separate ways."

ASEAN strongly maintained a unified position during last year's Bangkok meeting when the Asia Pacific Economic Cooperation [APEC] group was officially formed.

It had strongly insisted on ASEAN being the core of APEC and its secretariat being located in one of the six ASEAN capitals, among other issues.

Philippines Under-Secretary for Foreign Affairs Rodolfo Severino agreed there was a split.

Mr Severino said the ASEAN senior officials held "very serious discussions" on the US proposal during the first two days of talks among them ahead of the ASEAN Ministerial Meeting.

"We haven't decided whether we should have a common stand on this issue," he told the BANGKOK POST yesterday morning.

As for the Philippines position, Mr Severino said President Fidel Ramos had not yet officially announced his final decision. "But we at the Foreign Ministry are in favour".

He said the issue of APEC's domination by the US was very much dependent on whether ASEAN as a group would allow itself to be dominated by outside forces on trade and economic issues.

Meanwhile, Singaporean Foreign Minister Wong Kan Seng said all ASEAN countries recognised the importance of the US and it was therefore in ASEAN's interests "to respond positively" to Mr Clinton's initiative.

"I believe that a majority of APEC countries share this view. I hope that all APEC members will participate. We will certainly attend," Mr Wong Kan Seng was quoted by the International Herald Tribune in its July 19 edition.

Indonesia ia reportedly also in favour of going to Seattle since the meeting will be informal and it attaches much importance to north-south dialogue, an ASEAN conference source said yesterday.

"Indonesia of course sees the value of the invitation and they went half way to accommodate us (at the Tokyo G-7 meeting)," the source said.

"We are for dialogue, we need the north for its technology, access to its markets, to send our people to human resources development institutes, etcetera.

"After the Cold War, the main challenge is how to foster north-south cooperation, if we don't talk to them they will dictate to us," the ASEAN source said.

Thai Permanent Secretary for Foreign Affairs Phracha Khunakasem told Thai reporters last night the US invitation did not require a common ASEAN position.

"The invitation was extended to ASEAN countries individually and not as a group," he said

But Mr Phracha said Prime Minister Chuan Likphai and Foreign Minister Prasong Sunsiri were still discussing the issue. He would not reveal his own position.

Malaysian Secretary General for Foreign Affairs Tan Sri Ahmed Kamil told Malaysian reporters that ASEAN would have different views on the US invitation and called for "ASEAN solidarity" on the issue "We should consult and exchange views," he said.

Other Communique Issues Noted

BK2107114293 Singapore THE STRAITS TIMES in English 21 Jul 93 p 27

[Text] Senior ASEAN officials yesterday wrapped up their second day of talks putting the final touches to the draft communique that will be presented to the ASEAN Ministerial Meeting (AMM) on Friday.

The working group on the draft met the whole day at the Raffles City Convention Centre to prepare the document.

Sources said yesterday that the draft communique covered all the issues discussed by the senior officials during their meeting on Monday.

The officials had discussed, among other things, issues on regional security, the possibility of expanding the Treaty of Amity and Cooperation to all countries in the region, Cambodia and human rights.

On regional security, ASEAN is expected to underline the need for the six-member grouping to work with its seven dialogue partners—the United States, Japan, Canada, the European Community, South Korea, Australia and New Zealand—and other states in the region.

The aim is to evolve a constructive pattern of political and security relationships.

There has also been talk about the setting-up of a security forum called the ASEAN Regional Security Forum, in which several non-ASEAN countries may be invited to attend. Among them would be China, Russia, Vietnam and Laos.

On ASEAN's treaty of Amity and Cooperation, officials had said that regional powers would be encouraged to accede to it.

The officials also discussed the postwar reconstruction of Cambodia following the recent elections and the formation of a new government in Phnom Penh.

The draft communique is expected to reflect ASEAN's commitment to Cambodia's rehabilitation.

On human rights, ASEAN sources said that the draft communique would reflect ASEAN's stand that it would reject the linking of development aid from donor countries to the recipient countries' human rights record.

According to sources, ASEAN's position is that the use of human rights as a condition for development aid will be detrimental to international cooperation.

The officials will be in plenary session today to conclude their three-day talks, ahead of the ministerial meeting on Friday.

This will be followed on Monday by the Post-Ministerial Conference, in which the ASEAN countries will hold their annual dialogue with their major trading partners.

Growth Triangle Joint Business Council Planned

BK2107084593 Kuala Lumpur Voice of Malaysia in English 0600 GMT 21 Jul 93

[Text] The inaugural ministerial meeting of the Indonesia-Malaysia-Thailand Growth Triangle project in Langkawi has agreed that the respective governments initiate the formation of a joint business council. The council should comprise members of their chambers of commerce to boost private sector participation in the project. The meeting also agreed to form a joint official working committee of the three countries. At the same time, the three countries should establish an appropriate mechanism to monitor and supervise a study to be conducted by the Asian Development Bank under its project's term references.

The outcome of the meeting was contained in a joint statement issued last Wednesday. Speaking to newsmen after the meeting, Malaysia's chairman of the ministerial meeting of the triangle project, Tun Daim Zainuddin, said the three countries agreed that several projects be implemented immediately.

Japan

Miyazawa Announces Resignation at LDP Meeting

OW2207050693 Tokyo NHK General Television Network in Japanese 0408 GMT 22 Jul 93

[Speech by Prime Minister Kiichi Miyazawa at the joint plenary meeting of Liberal Democratic Party [LDP] members of the House of Representatives and the House of Councillors at LDP headquarters in Nagata-cho, Tokyo, on 22 July—live]

[Text] I extend my sincere congratulations to those of you who have been elected to the House of Representatives through the 40th General Election. Congratulations.

I would like to take this opportunity to extend thanks to those members of the House of Councillors who provided support to candidates of this party in the general election.

To speak about the general election, immediately after the dissolution of the House of Representative, many members left the party. The election turned out to be a tough one, and many party members had to undergo difficult election campaigns. We had the misfortune of losing some valuable colleagues in the election.

I think that only I, as president of the party, am responsible for this situation. I have given deep consideration to this matter and have decided to resign as president of the Liberal Democratic Party in order to make this responsibility clear.

I would like to have your understanding in this regard, and I take this opportunity to thank you sincerely for the good will you have accorded me in the past.

In the recent election, our party mustered by far the largest number of seats in the House, and gained the trust of the people. We must regard as important the people's trust in us to bring security to the life of the people and to implement several reforms, including political reform.

I think we must prepare a new leadership without delay, and achieve unity among ourselves in order to respond to the people's trust in us.

There is a saying—statesmen do not hesitate, wise men do not worry, and courageous men do not get scared. We must gather all the wisdom of the party and solidify the unity of the party. We must do all we can to answer this important trust of the people. I call for unity in this party. Thank you.

Quick Selection of Successor Urged

OW2207060993 Tokyo KYODO in English 0553 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—Business leaders urged the Liberal Democratic Party (LDP) on Thursday [22 July] to quickly select a successor to outgoing Prime Minister Kiichi Miyazawa as party president.

Miyazawa announced his resignation as president at a gathering of LDP lawmakers Thursday to take the blame for the party's split and its failure to win a majority in Sunday's general election for the House of Representatives.

"It's an urgent task for the LDP, as the largest party in the Diet, to regain public confidence and strengthen party unity," said Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren). "I hope they will choose a new president quickly and act in a united manner before a special session of the Diet" at which a new prime minister will be elected, Hiraiwa said.

Masaru Hayami, chief of the Japan Association of Corporate Executives (Keizai Doyukai), said the new LDP president should be "a man with his own policies who can articulate them clearly."

Hayami and other business leaders said Miyazawa's resignation was inevitable because of his failure to carry out a pledge to legislate political reforms.

Presidential Candidates Profiled

OW2207102193 Tokyo KYODO in English 0957 GMT 22 Jul 93

[By Jocelyn Ford]

[Text] Tokyo, July 22 KYODO—Prime Minister Kiichi Miyazawa's resignation announcement Thursday [22 July] following the Liberal Democratic Party's (LDP) loss of its majority in elections for the House of Representatives opens the competition for the LDP presidency.

With the LDP facing the possibility of becoming an opposition party for the first time in 38 years, the party will be looking for a leader capable of helping the party recover in the next general elections—expected to be held well in advance of the July 1997 deadline. Considerations include the candidate's stance on political reform, and the ability to refurbish the LDP image and to deter further defections from the party.

Following are thumbnail sketches of the leading candidates:

Michio Watanabe, 69.

The former foreign minister is the senior contender in the race, and was once regarded as the most likely successor to Miyazawa. But this could work against him as the LDP seeks to remake itself in keeping with its pledges for change and regeneration. In addition, Watanabe is plagued by ill health, which forced him to step down as foreign minister and deputy prime minister in April.

The straight-talking faction leader demonstrated his eagerness for the top party post this week when he exhibited a new-found enthusiasm for political reform, which he said could be realized within a year.

His election to the presidency, however, could anger pro-reformists who have hinted they may leave the party if it takes on a leader from the old order. A populist known for his folksy no-nonsense style, Watanabe is seen as a strong leader, who is not afraid to stray from policies spelled out by bureaucrats. He is leader of the third largest of the LDP's five major factions.

Toshiki Kaifu, 62.

The former prime minister still enjoys wide public support two years after party elders ousted him from power over his pledge to introduce political reform despite opposition within the LDP. But he is resented by senior LDP politicians, who are reluctant to give the man-with-the-polka-dot-tie a second shot as party leader.

They also criticize him as a light-weight whose lack of leadership during the 1990-91 Persian Gulf crisis was an embarrassment. A member of the fifth largest faction of Toshio Komoto, Kaifu enjoys support of younger Diet members, and may be a good compromise candidate if the LDP hopes to forge ties with reform-minded Japan New Party (JNP) and Sakigake (Harbinger).

Dubbed by the media as "Mr. Clean," Kaifu cuts a "salaryman" image. He leaned heavily on the bureaucracy for policy decision-making during his 1989-91 tenure.

Ryutaro Hashimoto, 55.

The dapper former finance minister is one of the top-ranking politicos in opinion surveys and would signal a generational change in the LDP. Among party cohorts, however, he is regarded as aloof and condescending. A rival of Ichiro Ozawa, who split off last month with Tsutomu Hata to form Shinseito (Japan Renewal Party), his election could increase friction between the two rival conservative parties.

Hashimoto has a reputation as a capable decision-maker, but is seen as tepid toward political reform. He is a member of the faction of Keizo Obuchi, the fourth-largest grouping, formerly led by ex-Prime Minister Noboru Takeshita.

Keizo Obuchi, 56.

A former LDP secretary general, Obuchi has a reputation in the party as Mr. Nice Guy. His bland style could make him a palatable compromise candidate. On the stump, though, he is unlikely to fire-up voters. Obuchi is best known for his loyalty to Takeshita, and his famous 1989 mug shot when as the chief cabinet secretary he announced the "Heisei" era, the name given the reign under Emperor Akihito.

Masaharu Gotoda, 78.

An ardent advocate of political reform, the justice minister would help smooth the party rift between the old guard and pro-reformists, and pave the way for links with the JNP. His advanced age, and a case of diabetes that landed him in the hospital during the election are drawbacks.

As head of the National Police Agency, Gotoda built up a reputation for gathering intelligence on public officials that helped him gain influence over cabinet members. He became Miyazawa's right-hand aide after assuming the deputy premiership when Watanabe resigned.

Hiroshi Mitsuzuka, 66.

The current chairman of the Policy Affairs Research Council and leader of the largest faction, Mitsuzuka has said he is prepared to throw his hat into the ring. But he is believed to be more interested in the No. 2 party post as LDP secretary general. The former transport minister's bid for leadership has been colored by rumors of scandals, and reputed money ties with construction interests.

Party Leaders' Postelection Debate Continues

OW2207110093

[Editorial Report] Tokyo NHK General Television Network in Japanese at 1100 GMT on 20 July carries a live 180-minute debate program entitled "Second in Series: Thorough Debate; How Are We Going To Change Politics?" Participants in the debates are Liberal Democratic Party (LDP) Policy Research Council Chairman Hiroshi Mitsuzuka; Social Democratic Party of Japan (SDPJ) Chairman Sadao Yamahana; Shinseito (Japan Renewal Party) leader Tsutomu Hata; Komeito (Clean Government Party) Chairman Koshiro Ishida; Japan New Party (JNP) head Morihiro Hosokawa; Japan Communist Party (JCP) Chairman Tetsuzo Fuwa; Democratic Socialist Party (DSP) Chairman Keigo Ouchi; Sakigake (Harbinger) head Masayoshi Takemura; and the United Social Democratic Party (USDP) head Satsuki Eda.

The program is moderated by NHK commentators Kazuo Okamura and Takashi Yamamoto. Freelance commentator Naoki Tanaka and journalist Eiko Oya attend the debate. Kansai Economic Federation Chairman Osamu Uno and Rengo (Japanese Trade Union Confederation) Chairman Akira Yamagishi join the program through satellite hookup. As observers and representatives of the people, citizens in Osaka, Sendai, and Fukuoka prefectures also take part in the program. The participants are all seated at a large, round table.

At 1107 GMT, after the introduction of the participants by a moderator, Mitsuzuka begins discussing the LDP's stance on coping with the postelection political situation. The leaders of the opposition parties also briefly reiterate their parties' respective positions .

Hiroshi Mitsuzuka, responding to a question on when Prime Minister Kiichi Miyazawa will announce his resignation, states: "In fact, he has already clarified his intention to resign", but added that Miyazawa often uses words that are difficult to understand. Mitsuzuka quotes the prime minister as saying he will "not cling to his position." He says that a general meeting of the LDP members from both lower and upper houses will be held on 22 July to discuss ways to choose a new president. Sadao Yamahana, responding to a request to comment on Miyazawa's intention to resign, says: "He was supposed to resign when the no-confidence motion was approved."

Asked about tangible measures for political reform, Hiroshi Mitsuzuka states his intent to carry out anticorruption measures only if it is difficult to enact other political reform bills.

Rengo's Akira Yamagishi criticizes Mitsuzuka's stance, saying: "I think electoral reform, anticorruption, and political fund control must be handled as an undetachable package."

Mitsuzuka says the LDP may propose introducing the so-called Heiritsu Plan, a combination of single-seat constituencies and proportional representation. Asked if the introduction of the Heiritsu Plan is his own proposal or the party's, Mitsuzuka says it will be the party's proposal. Mitsuzuka's proposal is criticized by the DSP's Keigo Ouchi and the USDP's Satsuki Eda who say the political confusion would have never happened if the LDP had taken a flexible stance, saying this is the first time they have heard the LDP may accept the Heiritsu Plan.

Mitsuzuka says this is the LDP's new proposal to resume political reform debate in the post-election political scene: "If we need a framework to seek an accord with other parties, we would like to start talks based on the Heiritsu Plan. That is what I meant."

The JNP and Sakigake are also asked to state their respective positions on the electoral system. Sakigake representative Takemura expresses his personal view, presenting his compromise plan calling for a lower house with 500 members, with 250 of them to be elected from single-seat constituencies and 250 through proportional representation.

Asked if it is possible to reach an agreement between the LDP and the opposition parties on the electoral system, DSP Chairman Ouchi stresses that if the LDP accepts Mr. Takemura's proposed plan and then officially proposes it as the LDP's plan, his party will agree to the proposal. SDPJ Chairman Sadao Yamahana, states: "The other day, we urged electoral reform based on the so-called Renyo Plan (a proposal calling for a lower house with 500 members, with 300 to be elected from single-seat constituencies and 200 through proportional representation). Even if the Renyo Plan itself is not available, we have a certain margin to make some concessions." Other party leaders, with the exception of the JCP's Tetsuzo Fuwa, generally express positive reactions to the LDP's concession plan, but question if the LDP can really persuade its antireform members who scrapped the past political reform bills.

Rengo Chairman Akira Yamagishi also expresses approval of interparty compromise based on the Heiritsu Plan, saying: "I really want the LDP to make a concession with the Heiritsu Plan."

Following the party leaders' debates on the electoral system, commentator Naoki Tanaka and journalist Eiko Oya question if the parties are really serious about political reform.

In response, Mitsuzuka notes that the correction of money-consuming politics is an urgent question even for himself, because he currently has to raise large amounts of money to run his own faction. He goes on to say: "In the past, the LDP fielded nearly 300 candidates in an attempt to win 260 seats. However, we have reached the limit." He adds: "Now, it is important to make it possible to materialize a change in power, and we need to establish a political system under which we can adopt flexible policies and implement national policies, thus enabling us to make an international contribution as a nation as well as to stabilize domestic politics."

The JNP's Hosokawa and Shinseito's Tsutomu Hata both indicate positive positions on Sakigake head Takemura's electoral reform plan.

At 1245 GMT, the program continues, focusing on political funds control and anticorruption measures.

At 1253 GMT, the LDP's Mitsuzuka says more severe application of the tax and criminal laws would be an effective measure in preventing corruption, and discusses the technical definition of bribery.

At 1302 GMT, the party leaders discuss measures for political funds control, focusing on the need for public support for political activities. Komeito's Ishida says: "My position is that political donations from companies and other business-oriented organizations should be prohibited." In connection with a bribery case involving the mayor of Sendai, Mitsuzuka says that bidding on public projects should be opened to encourage free competition.

Asked about money-oriented ties between the business and political circles, Kansai Economic Federation Chairman Osamu Uno says business circles' donations should be made openly by business groups since the underground donations of individual companies are now in question. He then shows positive attitude toward extending donations to newly established conservative parties.

The JNP's Hosokawa and the DSP's Ouchi say it would be better to prohibit monetary donations from the business sector, but not immediately. They say public support for political funds should be enacted in advance to avoid paralyzing political activities.

At 1316 GMT, Mitsuzuka, while discussing measures to stop underground business donations to politicians, says: "People are questioning why general contractors report such a great amount of unaccounted expenditures. To settle this issue, one idea would be to impose heavier tax rates, or penalty taxes, on these unaccounted expenditures."

At 1319 GMT, Rengo's Yamagishi says: "I think political donations from the business circles should be prohibited. This includes donations from labor unions." Yamagishi adds: "Donations to individual politicians should be prohibited too." The USDP's Eda states: "As noted by Ms. Oya, the corruption problem has its roots in the traditions of Japanese society. But we cannot say political reform cannot be realized unless the public changes its dependence on politicians. As public workers, politicians must take the initiative in coping with this issue. We are now discussing electral reform and political funds control, but these are nothing more than the first package of anticorruption measures we must work out."

Commentator Naoki Tanaka then questions the structure of the LDP committees. He says LDP lawmakers stick to certain policy research committees which are directly linked to government ministries, and this accelerates Japan's bureaucratic sectionalism and increases the number of so-called "zoku" lobbyists. Mitsuzuka says it is not very difficult to reform the committee systems of the Diet and the LDP. He notes lawmakers should be more independent from government officials, saying: "The committee system was introduced as a copy of the U.S. legislative system. However, Diet reform must encourage dietmen to play more positive roles in the legislative process." He then describes the LDP's plan to make members deal with several different policy fields.

When asked for comments on debates on political reform by political leaders, Kansai Economic Federation's Osamu Uno says: "Recently, there is considerable criticism of monetary donations from the business sector. This is because business circles approach politicians to satisfy their own economic interests. While the participants are discussing political reform tonight, business circles' interests are mainly focused on government agencies' authority to grant permission to private businesses. Political reform is an important issue, of course, but I think administrative reform should be discussed to thoroughly review the government's excessive control over business activities."

At 1330 GMT, the party leaders begin discussing desirable directions for the new government.

The LDP's Mitsuzuka notes the difficulties in forming a coalition with the SDPJ, saying: "The SDPJ is seeking a big government. A small government is an indispensable goal for Japan in the future, and we must carry out rationalization of the government as well as relaxation of government regulations. We would like to tie up with parties that can agree with us on this point." On the other hand, the DSP's Ouchi and the SDPJ's Yamahana both express negative attitudes toward a coalition with the LDP. Yamahana says: "We would like to form a non-LDP coalition government to eliminate corruption and to carry out political reform."

At 1338 GMT, the JNP's Hosokawa says: "As I said last night, the LDP should step down from power, considering the election results. This is the first point. On the other hand, as Mr. Ouchi just noted, the coalition government must handle many duties in addition to political reform. It must compile the budget, and make decisions on diplomatic policies. Therefore, the coalition must have a basic stance. The stress of the budget would vary depending on the basic stance of the coalition—if it seeks a big or a small government, and if it attaches importance to environmental protection or economic growth. They have to clarify their stances on these points." In addition, Hosokawa hints at the JNP's "third way" to maintain a distance from both the LDP and the anti-LDP group, saying: "Tripods are stabilized by three legs. Sometimes, a tripolar political scene may more effectively change Japan's politics than a bipolar system."

Sakigake (Harbinger) head Takemura notes his party will clarify its course of action very soon, saying: "It will be announced on paper within this week. Taking into account the election results and opinion polls, we feel the public's great expectations for new politics. Our party has obtained greater power because of these expectations. I think we must make our proposals to other parties in view of the public's wishes."

Rengo's Yamagishi says: "As seen in recent opinion polls, the great majority of the public is calling for a non-LDP coalition government... I want seven opposition parties, not five, to have talks on a coalition as soon as possible."

When asked about Shinseito's stance toward a coalition, Tsutomu Hata says: "As seen in the LDP political reform guidelines, I have been saying the root of the political problems is prolonged one-party rule by the LDP. To break the deadlock on the current political scene, we have to overcome the one-party rule. No matter what the LDP is going to do hereafter, each of us must recognize the clear goal to replace the LDP. To take power is to assume responsibility for the lives of the 120 million people in the nation. I believe our party can overcome small differences among the opposition. The most important point is to have strong resolve to achieve our goal."

At 1353 GMT, party leaders are asked to give brief comments in conclusion. The JCP's Fuwa says: "I think the public wants to win back its control over politics since politicians are obsessed with the interest of larger companies." The USDP's Eda says: "Democracy is to choose the government through voting. Now that the voters' judgment was given through the elections, we must start the nation's democracy over again on the basis of the people's decision." The DSP's Ouchi says: "NHK's opinion poll indicated the public's preference for a non-LDP, and of course non-JCP, coalition government. The public also urged the coalition to clarify its stance on basic policies. In view of these two public demands, we would like to take action to realize new politics." Komeito's Ishida says: "What we have to do now is to form a new government to carry out political reform, beause this is the only way to win back the public's confidence in politics." Shinseito head Hata says: "We have left the LDP to bring about changes in Japanese politics, and to carry out political reform." The SDPJ's Yamahana says: "Japan's parliamentary democracy, which is advocated in the Constitution, is going to die. Under such circumstances, we would like to revitalize Japanese democracy by establishing a non-LDP coalition which carries out political reform." Following this, Sakigake's Takemura and JNP's Hosokawa describe minor reform measures introduced in ther parties.

In conclusion, the LDP's Mitsuzuka says: "We have just had 223 ticketed candidates who survived the elections. And 13 independent winners will join our party very soon. We would like to seriously respond to the public's decision to give us the position as the biggest party. While political reform was scrapped twice, we will certainly carry it out this time. Stability is the biggest concern of politics."

The program ends at 1458 GMT.

Takeshita, Four Other Independents Join LDP

OW2107132793 Tokyo KYODO in English 1303 GMT 21 Jul 93

[Text] Tokyo, July 21 KYODO—The Liberal Democratic Party (LDP) added five lower house members to its rolls on Wednesday [21 July], including former Prime Minister Noboru Takeshita, party officials said.

Former Home Affairs Minister Akira Fukida, who abstained from voting in the no-confidence motion against the Miyazawa government on June 18, was among the five new LDP members. All five ran as independents in Sunday's [18 July] general election.

The seats held by the LDP now totals 228. The LDP is considering allowing eight other independent winners to join the party, party sources said.

Takeshita, 69, ran as an independent in Sunday's election after the LDP excluded him from its official candidate list. He was suspected of being helped by an ultrarightist group in stopping a smear campaign against him when he was vying for the LDP presidency in 1987. Takeshita was elected to the House of Representatives from the five-seat Shimane constituency for the 13th time since 1958.

Hosokawa Hints at JNP Non-LDP Coalition Tie

OW2207105093 Tokyo KYODO in English 1030 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—Japan New Party leader Morihiro Hosokawa suggested Thursday [22 July] his party may link up with an alliance of five noncommunist parties seeking to seize power from the Liberal Democratic Party [LDP]. "A non-LDP government would be preferable, if we are to end the LDP's monopoly on power and try to create conditions that would make it possible for power to be transferred (from the LDP)," he told a news conference at the JNP's headquarters.

Hosokawa made the remark as the alliance of Shinseito [Japan Renewal Party], the Social Democratic Party, Komeito, the Democratic Socialist Party and the United Social Democratic Party try to woo his party and Sakigake (Harbinger) into their anti-LDP alliance.

The 35-member JNP and the 13-member Sakigake are considered to have a swing vote in the upcoming selection of the next prime minister to be nominated by a special Diet session, which is likely to be convened August 2. Political analysts predicted that Hosokawa's new position on a proposed coalition may play a pivotal role in adding momentum to the establishment of a non-LDP coalition government.

The former Kumamoto Prefecture governor made the remark on the very day that Prime Minister Kiichi Miyazawa announced his resignation as LDP president, fueling intra-party jockeying for the post.

Sakigake leader Masayoshi Takemura, Hosokawa's main ally, also suggested to reporters that he prefers to link up with a non-LDP coalition, rather than cooperate with an LDP-dominated government. "Non-LDP alliance members are generally enthusiastic about reforming politics," he said.

Meanwhile, Shinseito leader Tsutomu Hata commended Hosokawa for expressing his readiness to cooperate with the non-LDP alliance. "Mr. Hosokawa appears to have found it easier to make that remark (favoring a linkup with the non-LDP alliance) as he listened to the opinions of other (JNP members)," he said.

Hata was referring to Hosokawa's consultations Wednesday [21 July] with 34 other JNP members at a Tokyo hotel, in which most reportedly asked Hosokawa not to associate the party with the LDP.

Komeito chairman Koshiro Ishida also welcomed Hosokawa's remark, saying, "I have long hoped that the Japan New Party, which initiated itself as an anti-LDP group, would play a role in expediting overall momentum toward political reform."

Democratic Socialist Party chairman Keigo Ouchi said, "let me express my respect for his decision."

United Social Democratic Party leader Satsuki Eda said he hopes that Hosokawa would agree to place his party members into the cabinet that might be formed by the non-LDP coalition.

Ozawa Favored at Keidanren Business Seminar

OW2207101193 Tokyo KYODO in English 0939 GMT 22 Jul 93

[Text] Oyama, Shizuoka Pref., July 22 KYODO—The de facto leader of a new party that has split from the Liberal Democratic Party (LDP) apparently got some support Thursday [22 July] from members of an influential business group gathering for a seminar at this summer resort. Many businesspeople taking part in the three-day seminar applauded Ichiro Ozawa, a founding member of Shinseito (Japan Renewal Party), which played a key role in a political shakeout marked by the breakup of the LDP.

Shinseito, led by former Finance Minister Tsutomu Hata, is one of two parties founded last month by defectors from the LDP, which failed to maintain a majority in Sunday's [18 July] general election for the House of Representatives. The support for Ozawa gained momentum at the seminar when Keio University Professor Haruo Shimada gave a speech praising Ozawa as "the only politician with his own policy and political idea."

Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren), which set up the seminar, nodded his consent deeply three times as he listened to Shimada's speech.

It remains open to question, however, whether the business community is fully backing Ozawa since he was known for outright and forcible political maneuvering when he was within the LDP. But one Keidanren vice chairman lamented, "he (Ozawa) is the man who is not short-sighted on impending topics and appears to be able to design his opinions on major topics such as diplomacy and political reform and to carry out them."

Keidanren itself has yet to decide whether to give political donations to Shinseito and other new conservative parties that are challenging the LDP's 38-year rule, although it and three other major business groups are now considering doing so. Most business donations to political parties are now funneled through Keidanren.

Many of the 26 business leaders who participated in the forum voiced willingness to financially support emerging new conservative parties like Shinseito. "The new conservative groups have the potential to become sound parties, which we need to nurture," said Shoichi Saba, an adviser to high-tech giant Toshiba Corp.

Seiji Suzuki, chairman of chemical maker Mitsubishi Kasei Corp., echoed Saba, saying, "We should hear from the new parties on their philosophies on political and administrative reforms and give them our backing if necessary."

Yoshimasa Umemoto, adviser to top pharmaceutical producer Takeda Chemical Industries Ltd., also said Keidanren should aid any political party that is "helpful for business circles."

But Keidanren chief Hiraiwa was notably cautious, urging a wait-and-watch stance for now. "We must carefully see the developments before deciding what to do with the new conservative parties," he said.

Hiraiwa has said Keidanren will determine its future policy on political donations around September.

Yohei Kono: Political Reform Urgently Needed

OW2207032393 Tokyo KYODO in English 0304 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—Chief Cabinet Secretary Yohei Kono said Thursday [22 July] political reform is urgently needed to wipe away public distrust in politics exacerbated by former ruling party kingmaker Shin Kanemaru's alleged tax evasion.

"With the series of revelations of problems concerning the correlation between politicians and money, I think the ill feeling of the public (toward politics) grows stronger and stronger," Kono told a news conference.

"To wipe away public distrust in politics, we must swiftly achieve political reform with very strong determination," the top government spokesman said, adding politicians should always be careful in spending money.

Kono's remark came the same day as the first hearing in the trial of Kanemaru, once dominant in what was the Liberal Democratic Party's largest faction.

Kanemaru, 78, was indicted on a charge of ducking 1.04 billion yen on the 1.85 billion yen in income taxes for three years from 1987. He resigned from parliament in disgrace in October 1992 after being fined 200,000 yen for receiving 500 million yen in illegal political donations from a parcel delivery firm at the center of a separate money-and-mob scandal.

In Thursday's hearing, Kanemaru pleaded not guilty to evading taxes and said he tried to use the money for a reconfiguration of political parties.

Kajiyama's Nephew Linked to Bribery Case

OW2107132193 Tokyo KYODO in English 1258 GMT 21 Jul 93

[Text] Tokyo, July 21 KYODO—A small contractor run by a nephew of Liberal Democratic Party (LDP) Secretary General Seiroku Kajiyama entered into a contract with Hazama Corp. in a public works project suspected of involving bribery, informed sources said Wednesday [21 July]. The small contractor, Hitachi Dairiseki in Hitachiota, Ibaraki Prefecture, was subcontracted by Hazama to decorate the interior and exterior of a two-story municipal sports complex which was completed in June 1992, the sources said.

Prosecutors on Monday [19 July] arrested three officials of Hazama, a major Tokyo-based construction company, on suspicion of giving a 14 million yen bribe in 1991 to Masahiro Oyama, mayor of Sanwa town, Ibaraki Prefecture, to help Hazama win the contract to build the complex. Oyama was also arrested.

Hazama was awarded the contract in 1991 for 1.4 billion yen and then subcontracted some interior and exterior decorating for a few million yen to Hitachi Dairiseki, headed by Kunitake Kajiyama, a nephew of the LDP secretary general, the sources said.

Seiroku Kajiyama, elected to the House of Representatives in Sunday's [18 July] general election for the seventh time, was Hitachi Dairiseki's executive director in 1955, when he was elected to the Diet for the first time, they said. He still holds some shares in the company, for which his wife is also an auditor, they said.

Hitachi Dairiseki's president told KYODO News Service his uncle had nothing to do with the subcontract. The politician's office said Kajiyama is no longer connected with the firm's management.

Meanwhile, sources said Wednesday that in late June prosecutors seized 100 million yen from a locker room at Hazama's head office in connection with a separate bribery case involving former Mayor Toru Ishii of Sendai city, Miyagi Prefecture. Prosecutors on Monday indicted Ishii and top officials of four major construction companies—Hazama, Shimizu Corp., Nishimatsu Construction Co. and Mitsui Construction Co.

According to the indictment, the officials offered 100 million yen to Ishii last year for favorable consideration of their bids for municipal public works. In the Sendai mayor's case, Hazama is suspected of having given Ishii 30 million of the 100 million yen bribe.

Prosecutors: Kanemaru 'Deliberately Evaded' Taxes

OW2207113693 Tokyo KYODO in English 1107 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—Prosecutors said on Thursday [22 July] in a court hearing on massive tax evasion charges involving Shin Kanemaru that the former ruling party godfather had deliberately evaded taxes. Prosecutors made the remarks at the trial of his aide, who has also been indicted for tax evasion and conspiring with Kanemaru to help the latter avoid taxes.

In the court hearings on the charges against Kanemaru and his aide Masahisa Haibara, 49, which started at the Tokyo district court the same day, Kanemaru's defense council firmly denied the charges.

In the hearing on the evidence against Haibara, prosecutors said Kanemaru confessed he had continued to dodge taxes even though he said he knew this was against the law.

The indictment said that Kanemaru evaded some 1.04 billion yen in taxes on about 1.84 billion yen of income during a three-year period from 1987 to 1989.

Along with Kanemaru, Haibara also avoided paying 310 million yen in taxes on about 610 million yen in income from 1987 to 1991, it said.

During investigations, the 78-year-old Kanemaru, former Liberal Democratic Party (LDP) vice president, told prosecutors he had a hunch that if his attempts to avoid paying tax ever came to light, it could cost him a lot, prosecutors said.

They also said that Kanemaru, in the course of being investigated, admitted prosecutors' charges that he had started to purchase discount bank debentures on the advice of local business tycoon Rekiji Kobari seven to eight years ago. "It would be a lie if I said I did not want to increase my personal assets. I thought discount bank debentures with interest would be more profitable than cash," prosecutors quoted Kanemaru as saying.

Discount bank debentures are widely believed to be used for money laundering and tax evasion because holders do not have to disclose their names.

Upon the illegality of his way of amassing wealth, Kanemaru said, "it was on my mind. If it came to light in my official tax declaration, the facts about back-door contributions might also come out and the payers would get into trouble," according to prosecutors.

Kobari, head of Fukushima Kotsu Bus Company and a group of subsidiaries, is suspected of being involved in the separate money-and-mob scandal centering on the Tokyo Sagawa Kyubin trucking firm, which was later merged with the Sagawa Kyubin group.

Kanemaru received 500 million yen in illegal political donations from Tokyo Sagawa Kyubin and the money graft forced him to resign from the Diet last October. He received a penalty fine of only 200,000 yen.

In order to buy the bank debentures, Kanemaru siphoned off some of his political contributions. The bond tally uncovered so far by prosecutors totals at least 2.2 billion yen, sources close to the prosecution said.

Most of the donations came from major contractors in Tokyo and Osaka, as well as small builders in his home town in Yamanashi Prefecture. The construction firms paid Kanemaru in the hope he would use his influence in the LDP's construction lobby and ensure the success of their bids for public works projects, they said.

"Local builders in Yamanashi offered donations in exchange for my favoring their bids for projects such as road and dam construction. Major contractors provided money in return for my promoting their bids for national projects like streamlining the infrastructure for roads, airports and bullet trains," Kanemaru was quoted as saying.

"I grew accustomed to receiving under-the-table donations without prior knowledge. It is the destiny of a man of power. I am very sorry about that fact," prosecutors quoted Kanemaru as saying.

Shady political contributions to Kanemaru from construction and transport industries topped 1 billion yen every year, prosecutors said.

In Thursday's court hearing, Kanemaru's defense lawyers said he had intended to use the money for political purposes such as realigning the country's political forces, while Haibara admitted to the charges against him. However, both defendants denied the conspiracy charge.

The Tokyo district public prosecutors office arrested Kanemaru and Haibara in early March and indicted them for tax evasion that month.

Kanemaru Pleads 'Not Guilty'

OW2207022793 Tokyo KYODO in English 0220 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—Disgraced political power broker Shin Kanemaru pleaded not guilty Thursday [22 July] in the Tokyo District Court to charges of dodging over 1 billion yen in taxes.

Kanemaru, 78, entered the plea saying he was trying to use the money to realign Japan's political forces. He also argued that the money used to purchase bank credits was his own and not political donations as stated in the indictment.

Kanemaru's former aide, Masahisa Haibara, 49, pleaded guilty to evading taxes of 330 million yen but denied a conspiracy to help his boss avoid taxes.

The opening of their trials came on the heels of Sunday's House of Representatives election, which has brought the Liberal Democratic Party (LDP) Kanemaru once controlled to the verge of losing its 38-year dominance.

Kanemaru, a former LDP vice president and deputy premier, was arrested March 6 along with close aide Haibara.

Prosecutors indicted Kanemaru March 13 on charges of dodging 118 million yen in taxes on 200 million yen in income in 1987. Kanemaru was indicted again March 27 for allegedly evading about 920 million yen in taxes on income of about 1.65 billion yen of income from 1988 to 1989.

He allegedly amassed enormous political contributions and invested most of them in anonymous discount bank debentures, financial instruments widely believed to be used for money laundering.

Haibara was indicted for avoiding taxes on about 650 million of income from 1987 to 1991. Prosecutors have accused Haibara of helping Kanemaru evade about 716 million yen in taxes.

Mieno Says Economy To Make 'Weak Recovery'

OW2207032893 Tokyo KYODO in English 0310 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—The economy is expected to make a weak recovery in the latter half of this fiscal year started in April, Bank of Japan (BOJ) Governor Yasushi Mieno said Thursday [22 July]. The recovery will be weak because of the yen's climb and slow recuperation in private-sector demand, the central bank governor said.

Mieno told a meeting of secondary regional banks the central bank has already taken necessary monetary measures but will keep a close eye on developments in business and financial conditions. He called for financial institutions carrying nonperforming loans to step up their restructuring while carefully checking the health of their assets.

MITI's Kumano: Economy May Not Dip Further

OW2207064793 Tokyo KYODO in English 0634 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—A senior trade official predicted Thursday [22 July] Japan's economy probably will not drop any lower than the current slowdown level.

"Since the inventory adjustment is over, I don't think there will be another big hole (in the economy) unless demand drops further," Vice International Trade and Industry Minister Hideaki Kumano said. However, Kumano, speaking at a press conference, said the economy may remain at the bottom for some time with little power of recovery, noting sluggish capital investment and consumer spending.

Asked about the need for additional pump-priming measures, Kumano only expressed hope that the latest 13.2 trillion yen stimulus package announced in April will produce positive effects gradually. At the same time, Kumano voiced concern over a possible impact of delays, if any this month, in front-loading of public work projects, which he said proceeded well in May and June.

Shipbuilders Asking for Cut in Steel Prices

OW2107075693 Tokyo KYODO in English 0732 GMT 21 Jul 93

[Text] Tokyo, July 21 KYODO—The chairman of the Shipbuilders Association of Japan said Wednesday [21 July] that shipbuilders are asking for a reduction in steel prices to deal with the yen's steep appreciation against other major foreign currencies.

Shigeru Goda told reporters that individual shipbuilders are making the requests to Japanese steelmakers as they are losing their competitive edge over foreign rivals because of the high value of the yen.

Under the antimonopoly law, the industry association would be unable to seek a concerted steel price reduction on behalf of member companies, Goda said.

Steel represents about 20 percent of the cost of building a ship.

Japanese shipbuilders, which account for a global market share of nearly 50 percent, have recently lost orders to their South Korean and European rivals. Japanese-made steel plates cost 20,000 yen more per ton than similar South Korean products, according to an industry estimate.

On another subject, Goda declined to say if his association will continue making political contributions amid national controversies over such donations. However, he said Japanese companies are likely to continue making political contributions, since Japanese executives have no resources for private contributions, unlike U.S. executives.

Firms Plan To Hire Fewer College Graduates

OW2107091993 Tokyo KYODO in English 0845 GMT 21 Jul 93

[Text] Tokyo, July 21 KYODO—Major Japanese companies plan to hire fewer new university and college graduates next spring for the second year in a row, a private research organization said Wednesday [21 July]. Recruit Research Co. said it surveyed the 2,121 companies listed on major stock exchanges between June 1 and July 6 and the response rate was 93.7 percent.

The companies plan to hire a combined 68,930 new male graduates from universities, colleges and graduate schools next spring, down 20.8 percent from this year. Manufacturers' planned employment of male graduates is expected to drop 23.4 percent from this year, while the figure for nonmanufacturers will shrink 16.0 percent, recruit research said.

The employment picture for female graduates is also gloomier, with 12,182 expected to be hired, 39.8 percent fewer than this year.

The ratio of college graduates being hired by listed companies to the total number of graduates next spring would be 27.3 percent, falling by roughly 20 percentage points from a peak of 47.5 percent in 1991. For female graduates, the ratio is estimated at 11.7 percent, Recruit Research said.

Police Raid Offices of Five Crime Syndicates

OW2207035793 Tokyo KYODO in English 0348 GMT 22 Jul 93

[Text] Tokyo, July 22 KYODO—Police stormed five offices of two crime syndicates [yakuza] Thursday [22 July] to clamp down on an armed turf war that has broken out between them over the past five days. Police said they raided offices of the Yamaguchi-gumi in Kobe and the Kyokuto-kai in Tokyo as a prelude to imposing restrictions on the use of their offices.

Since July 17, the two rival groups have fought gun battles in 12 prefectures, police said. Seventeen incidents related to their fight over influence in the underworld have taken place.

Police said it was the first time they had raided yakuza offices since the Antigang Law was introduced in March 1992 to crack down on mobsters. The law empowers police to apply restrictions and take prior action to seize materials in the investigation of alleged crimes.

Public security commissions in Tokyo, Osaka and Hyogo prefectures are considering imposing the restrictions on the offices that would ban manufacturing and possessing guns, holding war talks and amassing members.

The Tokyo Public Security Commission designated the Kyokuto-kai group as a crime syndicate Wednesday under the law, two days earlier than scheduled to enable the police raid. The Yamaguchi-gumi was given such a designation last year.

North Korea

Italian Chuche Group Head on Clinton's Remarks

SK2007053293 Pyongyang KCNA in English 0414 GMT 20 Jul 93

[Text] Pyongyang, July 20 (KCNA)—Aldo Bernardini, chairman of the Italian committee for the study of the chuche idea, in a statement said that U.S. President Clinton's impudent remarks against people's Korea represented the Korean policy of the United States which has arbitrarily acted, abusing the United Nations and other international organisations.

He pointed to the unreasonable act of the International Atomic Energy Agency in insisting on "inspection" of two military sites unrelated to the nuclear problem on the basis of an "information" provided by the United States, though people's Korea had faithfully implemented its obligations under the treaty.

Exposing the "double standard" of the Nuclear Nonproliferation Treaty applied by the IAEA [International Atomic Energy Agency], he stressed that if the agency is to show fairness, it should make an inspection of nuclear weapons in South Korea at the same time as demanded by North Korea.

Envoy to Finland: No Nuclear Arms Intention

LD2107165393 Helsinki Suomen Yleisradio Network in Finnish 1600 GMT 21 Jul 93

[Text] North Korea has no intention or ability to develop nuclear arms, North Korean Ambassador to Helsinki Choe Sang-pom said in Helsinki today. The ambassador said, among other things, that the United States has promised to help North Korea to change nuclear power stations cooled by graphite into safer ones cooled by water.

Successful Holding of Pannational Rally Urged

SK1707112193 Pyongyang KCNA in English 1002 GMT 17 Jul 93

[Text] Pyongyang, July 17 (KCNA)—MINJOK SIBO, a newspaper of Koreans in Japan, July 11 called for a successful holding of the 4th pan-national rally.

The paper says further strengthening of the forces capable of reunifying the nation is essential for the reunification of the country. The most important thing is to hold fast to the principle of great national unity set out in the July 4 joint statement, notes the paper.

Referring to the anti-reunification moves of South Korean authorities, the paper stresses that if the present "government" truly wants reunification, it must voluntarily establish a reunification-oriented system and take a stance for the promotion of reconciliation and unity, not antagonism and confrontation, in the relations with the North.

The 4th pan-national rally would be a national jubilee where compatriots from the North, South and overseas would get together for reunification guided by the tenets of the July 4 joint statement and dispel distrust and misunderstanding, promote great national unity and discuss ways of reunification, says the paper, calling for every possible effort for the realization of the pan-national rally.

Factories Hold Meetings Supporting South Labor

SK2207045293 Pyongyang KCNA in English 0418 GMT 22 Jul 93

[Text] Pyongyang, July 22 (KCNA)—Meetings for denouncing the South Korean authorities' suppression of the labor movement were recently held at the Pyongyang Vinyl Chloride Shoe Factory, the Pyongyang Cornstarch Factory and other factories and enterprises in the city.

At the meetings speakers extended support to the South Korean workers in their fight for the right to existence and democracy, saying the struggle was an inevitable consequence of the unjust labor policy of the present "regime".

The South Korean authorities' crackdown on the righteous struggle of workers at the point of the bayonet and their attempt even to punish leading hardcore members of the "Hyonchongnyon" (Federation of Trade Unions of Hyundai Business Groups) and "Chonnohyop" (National Council of Trade Unions), independent labor organisations, clearly show for whom and what the "civilian government" is, they said.

They urged that the South Korean authorities must discontinue at once the suppression of "Hyonchongnyon" and immediately release the arrested workers.

Former War Correspondent Yi Visits Mangyongdae

SK1807082893 Pyongyang KCNA in English 0817 GMT 18 Jul 93

[Text] Pyongyang, July 18 (KCNA)— A former war correspondent of the Korean People's Army, Yi In-mo, the incarnation of faith and will, visited Mangyongdae, the cradleland of revolution, and went round various places of the capital city recently.

When he was embraced in the bosom of the socialist motherland on March 19, he was a confirmed invalid to which he had been reduced by the brutalities of the South Korean fascist thugs. But he has recovered his health considerably now.

Yi went to the old home of President Kim Il-song in Mangyongdae which he had longed to see for more than odd 40 years.

After hearing stories about the family of the great leader President Kim Il-song which had engaged itself in patriotic and revolutionary activities through generations, Yi said he still remembered the sight of Kim Hyong-kwon (an uncle of President Kim Il-song), speaking to a crowd of people that Japanese imperialism must be overthrown and Korea be made independent, recalling with deep emotion the day when Kim Hyong-kwon punished the Japanese police chief in Pabal-ri in the name of the people.

He wrote in the visitor's book that it had been his earnest wish to visit Mangyongdae where the great leader was born and that our people owe their socialist motherland and happy life today to our leader.

Then he wrote:

"Mangyongdae that I longed for even in my dream—it is the pillar of faith.
July 9, 1993"

While enjoying a bird's-eye view of the scenery of Mangyongdae from the Mangyong Hill, Yi In-mo said: "Mangyongdae is the most beautiful place in the world and it was the pillar of my mind when I was suffering in South Korean prisons. It is because I cherished this pillar in my mind that I have come back alive."

He went round the Mangyongdae fun fair and then went up the Moran Hill in Pyongyang, the well-known beauty spot.

Looking over the view of the capital from the Ulmildae pavilion on the Moran Hill, Yi said he felt as if he were in a dream, overlooking the grand and beautiful scene of Pyongyang which has risen up from ruins to which it had been reduced in the war. He said: "Peerless are our leader President Kim Il-song and our dear leader Comrade Kim Chong-il with great leadership ability."

Earlier, Yi In-mo presented a basket of flowers before the bronze statue of President Kim Il-song on the Mansudae Hill.

Bulgarian Envoy Presents Credentials

SK1707105793 Pyongyang KCNA in English 1015 GMT 17 Jul 93

[Text] Pyongyang, July 17 (KCNA)—Yordan Mutafchiev, newly-appointed Bulgarian ambassador e.p. [extraordinary and plenipotentiary] to Korea, Saturday presented his credentials to the great leader President Kim Il-song.

Present at the presentation ceremony were Vice-premier and Foreign Minister Kim Yong-nam and an official of the Bulgarian Embassy here.

After receiving the credentials, President Kim Il-song conversed with the ambassador.

Cambodian Envoy Presents Credentials to Kim Il-song

SK2107113493 Pyongyang KCNA in English 1048 GMT 21 Jul 93

[Text] Pyongyang, July 21 (KCNA)—Newly-appointed Cambodian Ambassador E.P. to Korea Oum Mannorine today presented his credentials to the great leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea.

Present at the presentation ceremony was Vice-premier and Foreign Minister Kim Yong-nam.

After receiving the credentials, President Kim Il-song conversed with the ambassador.

Twenty Years of Relations With Denmark Observed

SK1707050793 Pyongyang KCNA in English 0439 GMT 17 Jul 93

["Korea-Denmark Diplomatic Ties 20 Years Old"—KCNA headline]

[Text] Pyongyang, July 17 (KCNA)—Papers today observe the 20th anniversary of the establishment of diplomatic ties between the Democratic People's Republic of Korea and the Kingdom of Denmark.

With the opening of diplomatic relations between the DPRK and Denmark on July 17, 1973, the two peoples began to deepen mutual understanding and develop friendly relations, NODONG SINMUN says, and goes on:

The friendly relations between Korea and Denmark have developed on good terms over the past two decades. Contacts and visits have become frequent between the two countries and links strengthened in different domains.

To develop the friendly relations between Korea and Denmark fully conforms to the desire and interests of the two peoples. The Korean people will in the future, too, strive to develop the friendly relations with the Danish people on the basis of the idea of independence, peace and friendship.

An article of MINJU CHOSON says: The Korean people wish the Danish people fresh success in the work for the prosperity of the country, believing that the friendly and cooperative relations between the two countries will be further strengthened in conformity with the idea of independence, peace and friendship.

Kim Il-song Sends Message to Colombian President

SK1907105493 Pyongyang KCNA in English 1011 GMT 19 Jul 93

[Text] Pyongyang, July 19 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea sent a message of greetings to Cesar Gaviria Trujillo, president of the Republic of Colombia, on the occasion of the independence day of Colombia on July 17.

President Kim Il-song in the message expressed the belief that the friendly relations between the two countries will further develop and wished the president and people of Colombia greater success in their work for the prosperity of the country.

WPK Sends Message to Ecuadoran Party Leader

SK1807082393 Pyongyang KCNA in English 0808 GMT 18 Jul 93

[Text] Pyongyang, July 18 (KCNA)—The Central Committee [C.C.] of the Workers' Party of Korea [WPK] Saturday sent a message of greetings to Victor Granda upon his election as general secretary of the C.C., the Socialist Party of Ecuador.

Expressing the belief that the excellent friendly relations between the two parties would grow stronger and develop in the future in its struggle for independence against imperialism and for peace and socialism, the message wished him great success in his responsible work for strengthening the party and attaining the independent and democratic development of the country.

Choe Tae-pok Meets PRC Group, Palestinian Envoy

SK2007124093 Pyongyang KCNA in English 1041 GMT 20 Jul 93

[Text] Pyongyang, July 20 (KCNA)—Choe Tae-pok, alternate Politburo member and secretary of the C.C. [Central Committee], the Workers' Party of Korea, today met and had a friendly talk with a delegation of cadres of the Communist Party of China led by Su Huaide, secretary general of the political science and law committee of the C.C., the CPC.

He also met and conversed with outgoing Palestinian Ambassador to Korea, Ibrahim Muhammad Mustafa.

Kim Il-song Receives Zhang Weihua's Family

SK1907105293 Pyongyang KCNA in English 1012 GMT 19 Jul 93

[Text] Pyongyang, July 19 (KCNA)—The great leader President Kim Il-song today received the family of Zhang Weihua visiting Korea.

Present there were Kang Sok-song, director of the party history institute of the Central Committee of the Workers' Party of Korea, and officials concerned.

President Kim Il-song had a cordial talk with the guests.

He was presented with a gift by them.

He gave a luncheon for the guests.

Photo Exhibit, Film Show Mark Cuban Revolution

SK2107064593 Pyongyang KCNA in English 0435 GMT 21 Jul 93

[Text] Pyongyang, July 21 (KCNA)—A photo exhibition and a film show took place here on July 20 on the occasion of the 40th anniversary of the July 26 armed uprising of the Cuban people.

Present on the occasion were Chong Chun-ki, Chairman of the Committee for Cultural Relations with Foreign Countries, officials concerned and working people in the city.

Cuban Ambassador to Korea Juan Jose Leon Vega and his embassy officials and Cuban guests were also present on invitation.

At the end of the opening ceremony of the photo exhibition, the participants saw photographs showing the struggle of the Cuban revolutionaries and a Cuban feature film.

Yang Hyong-sop Attends Egyptian Envoy Reception

SK2007045893 Pyongyang KCNA in English 0415 GMT 20 Jul 93

[Text] Pyongyang, July 20 (KCNA)—Ali Hegazi, Egyptian Ambassador to Korea, arranged a reception on July 19 on the occasion of the 41st anniversary of the July 23 Revolution, the national day of the Egyptian people.

Present on invitation were chairman of the Supreme People's Assembly Yang Hyong-sop and officials concerned.

Speeches were exchanged at the reception.

Supreme Commander Kim Chong-il Issues Order 0040

SK2207051893 Pyongyang KCNA in English 0507 GMT 22 Jul 93

[Text] Pyongyang, July 22 (KCNA)—Comrade Kim Chong-il, supreme commander of the Korean People's Army [KPA], issued order No. 0040 "On Upgrading Military Ranks of KPA Officers and Generals who took part in the Fatherland Liberation War" dated July 19.

The order says the Workers' Party of Korea and the Korean people are significantly greeting the 40th anniversary of the victory won by the Korean people in the Great Fatherland Liberation War, decisively repulsing the imperialists' invasion and defending the freedom and independance of the country with honor.

"The brilliant victory in the Fatherland Liberation War is associated with proud, undying feats performed by the People's Army soldiers who fought to defend the country at the cost of their blood, in hearty response to the order of the great leader General Kim Il-song, an ever-victorious iron-willed brilliant commander," says the order.

Comrade Kim Chong-il, expressing the firm belief that those who participated in the war will as ever remain faithful to the party and the leader, steadfastly defend Korean-style socialism and further strengthen and develop the People's Army as a-match-for-a-hundred combat units to firmly guarantee the revolutionary cause of chuche with arms, gave the order to upgrade the military ranks of KPA officers and generals who took part in the war on the occasion of the 40th anniversary of the victory in the war.

According to the order, 14 persons were awarded the grade of lieutenant general and 85 the grade of major general.

Choe Kwang Article Marks War Anniversary

SK2207092793 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 20 Jul 93

[NODONG SINMUN 20 July special article by Comrade Choe Kwang: "The Korean People's Army, Which Upholds the Iron-Willed Commander, Will Be Crowned With Victory Forever"]

[Text] We will soon greet the 40th anniversary of the victory in the Great Fatherland Liberation War. We take great pride and confidence in the 40th anniversary of the victory in the Great Fatherland Liberation War. This is because our revolutionary Armed Forces, which have upheld the dear leader Comrade Kim Chong-il as the supreme commander of the Korean People's Army [KPA], are in full preparations politically, ideologically, militarily, and technologically to smash any strong enemies.

Our People's Army has firmly carried forward the glorious revolutionary traditions of the anti-Japanese revolutionary struggle. Our People's Army has the brilliant traits as the Army of the party, the revolution, and the people, which is endlessly loyal to the party and the leader.

In view of history, there has existed a great commander in the ever-victorious Army without exception. During the past period, our revolutionary Armed Forces smashed two imperialists' strong enemies and have constantly been strengthened and developed. This is because there has been the wise leadership of the great leader Comrade Kim Il-song, the ever-victorious iron-willed commander.

Today our People's Army is displaying its grand sight as a-match-for-100 revolutionary Armed Forces. This is because our People's Army has upheld the dear leader Comrade Kim Chong-il as the supreme commander.

Our revolutionary Armed Forces' high dignity, glory, and ever-victorious might are all directly connected with the dignity of the great leader and the great leader [yongdoja].

It is our veterans' infinite pride and happiness to uphold two iron-willed commanders in a generation and carry out the revolution in military uniform. Taking a great pride and confidence in upholding the respected and beloved leader, the founder of our revolutionary Armed Forces, and in the dear leader Comrade Kim Chong-il, the KPA supreme commander, we will significantly commemorate the 40th anniversary of the victory of the Great Fatherland Liberation War.

1. It is greatly proud and glorious for those carrying the revolution to personally witness and go through the great historic events. In particular, when the historic events emerge as an important issue related with their political life and the fate of the overall revolution, it is prouder and more glorious to personally witness and go through the historic events.

In the 19th plenary session of the Sixth Party Central Committee, the dear leader Comrade Kim Chong-il was elected the KPA supreme commander. This was a significant event which has great meanings in building our revolutionary Armed Forces and in implementing the chuche revolutionary cause. Then, our entire People's Army's soldiers could not but express their great emotion and pleasure, because their long-cherished desire was brilliantly realized.

Our People's Army's soldiers have upheld as the supreme commander the great military genius and ever-victorious iron-willed commander, who has led the chuche-oriented Army-building cause to a victory. Thus, they are overflowing with the endless happiness and confidence in their bright vista. We, who have upheld, in military uniform and with rifles, the party's cause throughout our lives, were pleased to shed tears at this historic event.

Only when we uphold a great commander at the head of the revolutionary Armed Forces can we smash any strong enemies. This is the valuable truth that our anti-Japanese fighters—who have fought all sorts of hardships together with the great general since the days in Mt. Paektu—have gained in the sea of blood and in the sea of flames.

It is said that history is not repeated. We, however, once again experienced the emotion and pleasure that we experienced when we had upheld the respected and beloved leader as the commander of the Korean People's Revolutionary Army. This is our fortune that we cannot gain once again.

Originally, politicians should be possessed of both literary and military accomplishments. The history of the revolutionary struggle of the working class shows that only when the people uphold the great leader and politician well versed in military affairs, can they be victorious in the revolutionary struggle.

As we experienced through the long-standing revolutionary practices, the dear leader Comrade Kim Chong-il, who has been upheld as the KPA supreme commander, is the great politician possessed of both literary and military achievements. Possessed of extraordinary military wisdom, matchless grit, and tested tactics of leading the Army, the dear leader Comrade Kim Chong-il is the iron-willed commander who has led the chuche-oriented Army-building cause to a victory.

Today whenever we hear our People's Army's soldiers sing the song, "Let Us Uphold Our Supreme Commander with the Armed Forces" anytime and anywhere, we cherish deep in our hearts the endless pride and confidence in upholding the great commander. Contained in the song is the endless respect, admiration, and firm faith in the comrade supreme commander of the all KPA soldiers, including our old anti-Japanese fighters, heroic fighters of the Fatherland Liberation War, and new generation soldiers now shouldering rifles.

Our KPA soldiers have absolutely believed that the KPA Supreme Commander Comrade Kim Chong-il is the great military genius who has led the Army-building cause through his chuche-oriented military ideology, tactics, logistics, and every-victorious strategy.

The historical reality of our times shows that even though the cause of founding the revolutionary Armed Forces is difficult, the cause to further strengthen and develop the revolutionary Armed Forces is a more difficult and complex struggle.

In view of the miserable incident—a revolutionary army, which has a long history and traditions of winning a victory by smashing the aggression by millions of troops, collapsed in a day without firing even a shot before the imperialists—we once again cherish deep in our hearts that the revolutionary Army should have a brilliant leader [yongdoja].

It has been said that even though the Army is armed with modern weapons and is superior in number, if it does not uphold an outstanding commander, it is nothing but a grouping.

The dear leader Comrade Kim Chong-il has brilliantly realized the cause of constantly strengthening and developing the revolutionary Armed Forces in our country. We have upheld the dear leader Comrade Kim Chong-il as the supreme commander in the 19th plenary session of the Sixth Party Central Committee. However, in fact, we can proudly say that we had long built up the Army under his leadership.

Whenever we witness the proud reality in which our People's Army has pressed hard on the heels of the enemy, without wavering however many days may elapse and however complex the situation may be, we are reminded of the validity and the wisdom of the basic line of building the revolutionary Armed Forces—modeling the entire Army on the chuche idea—which our Supreme Commander Comrade Kim Chong-il early put forth.

To build the skillful revolutionary Armed Forces, there should be a right program for building the Army. Modelling the entire Army on the chuche idea is the basic Army-building line, which is capable of strengthening and developing the People's Army into the party's revolutionary Armed Forces that are endlessly loyal to the party's chuche revolutionary cause, by embodying the chuche-oriented military ideology, theory, and logistics.

Based on the line of modelling the entire Army on the chuche idea, our People's Army has gloriously adhered to the characteristics and missions as the chuche-oriented revolutionary Armed Forces, by turning the entire ranks into iron-willed ranks of the chuche-type revolutionary soldiers, by modernizing armed equipment, by applying the chuche-oriented logistics to military activities, and by thoroughly establishing the chuche-oriented leadership system and method.

The greatness of the military strategist can be demonstrated by his own original strategy and tactics. Comrade Kim Chong-il, our supreme commander, who has presented the line of transforming the entire Army following the chuche idea as a basic line for building our revolutionary Armed Forces and who is wisely leading the struggle for its realization, has put forward a great number of chuche-oriented strategies and tactics.

These include all strategies and tactics based on characteristics of modern war as well as on the scientific analysis of the geographical conditions of our country. Also, these include the way to teach unit combat action, [word indistinct], and the soldier's military exercises. All of these were prepared by the outstanding military wisdom and extraordinary scientific insight of our Supreme Commander Comrade Kim Chong-il.

There is a proverb saying that "A great commander must be as aware of the enemy as he is of himself." The military wisdom of the dear leader Comrade Kim Chong-il is far-sighted, looking forward to the future all the time and having insight into all things. Also, his military wisdom is an original and scientific military knowledge to newly create everything regardless of the previous military theories and manuals. Also, this is a keen insight into everything.

It is said that victory can be determined by operation. Whenever the Supreme Commander Comrade Kim Chong-il has put forward the new strategic and tactical policy with his far-sighted wisdom, officers and men of the People's Army are determined to win victory. With a sincere heart and vigorous spirit, they are carrying out the policy unconditionally and thoroughly.

Officers and men of our People's Army are highly praising Comrade Kim Chong-il, supreme commander of the Korean People's Army, as a great commander [widaehanryongjang] who has a matchless courage and iron will. War historians frequently say that "war is a confrontation of power and power and a confrontation of will and will." This is because war means an all-out war [chongryogjon] in which all people must participate to win victory. At the same time, this is because war is a stern trial that tests mankind's will.

Differently from the common soldiers [potongpyongsa], the military strategist—who has to win victory in a war decisive to the destiny of the fatherland and nation by leading tens of thousands or millions of army units—must be more courageous than anyone else.

History shows that the Army led by a courageous commander who has a firm will, will be always victorious in fighting against strong enemies, but otherwise it will be easily frightened or fail to overcome even a small obstacles.

We, who fought against the strong enemies on two occasions, are well aware of how the courage and will of the supreme commander—who leads the Army—affect soldiers' combat courage and how they have an impact on the destiny of the overall war.

Today we are seeking new conviction and courage from the matchless courage and iron will of Comrade Kim Chong-il, the supreme commander of the Korean People's Army, who leads our revolutionary Armed Forces. Also, we are certain to emerge victorious.

Officers and men of our People's Army have witnessed and experienced directly and heartily how the new upsurge has been effected in Army building and activities and how a great victory has been won in fighting against the enemies.

We have won a great victory in the recent and acute political and military confrontation even without using guns and bombs. This is because the Supreme Commander Comrade Kim Chong-il has led our party, Army, and people with his matchless courage and iron will.

The comrade supreme commander's courage and will is an iron will which turns adverse situations into favorable ones without the slightest wavering in the face of attack by any formidable enemy; is having indomitable confidence to find a way out of any kind of situation, however bad; and is an extraordinary revolutionary driving force that brings about new victory by calling upon the whole Army. This kind of peerless courage and iron will allows our People's Army to create new miracles in defending the fatherland and fulfilling military duties.

Our People's Army, which upholds the great commander who is equally distinguished as a soldier and a scholar and whose courage and will is infinite, is afraid of nothing in this world and there can be no fortress that cannot be occupied.

The officers and men of our People's Army are calling Supreme Commander Comrade Kim Chong-il the benevolent father and are fighting by wholly entrusting their whole fate to him. From a historical viewpoint, the Army moved only in accordance with martial law. Moreover, in an exploitative society, the Army was nothing but an oppressive organization where only the order of command and obedience was dominant and even the slightest humaneness was eliminated. Therefore, according to our knowledge, the [words indistinct].

From this viewpoint, our officers and men of the People's Army including our anti-Japanese fighters are very happy fighters who wore military uniforms all their lives and embraced the bosom of the great father. In the past we were runaway troops. However, we were determined to crush [chyobusuda] the Japanese imperialists. Thus when we emerged into the anti-Japanese ranks all alone, the first thing we learned was by no means guns and martial law.

The first experience as a soldier by our revolutionary fighters was being embraced in the great general's bosom, receiving manlike treatment and growing up to be respectable revolutionary fighters. We will never be able to forget the deep emotion of embracing for the first time that kind of trust and love, which our own parents could not have given us.

We had embraced the great leader's love of fostering the illiterate and teaching the truth of the revolution, and his benevolence of sharing even a spoonful of powdered rice. Today we are once again embracing this love and affection in the revolutionary road by upholding our comrade supreme commander.

Our comrade supreme commander regarded our fighters as valuable treasures that cannot be changed for anything else in the world. He is also bestowing great love and benevolence.

It was the comrade supreme commander who sent a significant personal letter, "Let there be glory for the revolutionary Armed Forces which are loyal to our party," when he saw the letter of pledge by the officers and men of our People's Army. It was also the dear comrade leader who made the unknown fighters into heroes known to everyone in the world. Moreover, it was the comrade supreme commander, the father who spares nothing and gives everything if it is for our fighters.

The Comrade Supreme Commander Kim Chong-il's faith in the officers and men of our People's Army is an absolute faith that will never change even though everything else changes in this world. His love is a grateful father's love who is wholly responsible for and looks after the fate of the fighters. His human love and comradely love is endless vitality that gives strength and a prosperous life.

The great father who was born with a disposition of faith in the comradeship and love of the fighters is being upheld as the supreme commander. Therefore, whether we are in a difficult situation or happy, the officers and men of our People's Army always look up to the dear leader Comrade Kim Chong-il. They are also highly manifesting the courage of an invulnerable body.

As early as half a century ago, our anti-Japanese revolutionary fighters were overflowing with great emotion and the happiness of upholding the dear leader Comrade Kim Chong-il. They engraved in a tree the slogan, "Korea's future shining of the bright star of Mt. Paektu is brilliant." Today, we are living in the glorious era in which it has bloomed as a brilliant reality.

Whenever we see the significant slogan-bearing tree we are all the more cherishing in our hearts the pride and dignity of upholding the great iron-willed commander. Like the spotless and clean thought of writing the slogan by peeling the bark of the tree in the thick forests of Mt. Paektu, we are trying to eternally uphold the dear leader Comrade Kim Chong-il as the supreme commander of our revolutionary force. This is the firm will of our anti-Japanese fighters and all the officers and men of the People's Army.

The wise leadership of the KPA [Korean People's Army] Supreme Commander Comrade Kim Chong-il is making our People's Army defeat any strong enemy and manifest the glory as an invincible revolutionary Armed Forces to firmly defend the party, the leader, and the socialist fatherland.

The dear leader Comrade Kim Chong-il has indicated: Our People's Army has been developed and strengthened beyond comparison to the past in terms of political and ideological aspects and the military and technical sector. It is fully prepared to strike and smash at a stroke any aggression of the imperialists.

At a military parade to commemorate the 60th anniversary of the founding of the KPA last year, Comrade Kim Chong-il, our supreme commander, extended significant congratulations to the troops participating in the parade, saying "May officers and men of the heroic KPA be glorious!"

This is indeed a lofty assessment of our People's Army which he fostered to be the reliable Army of the leader [suryong], of the party, and of the revolution, containing great trust and expectations of our party and people.

Upon receiving congratulations from Comrade Kim Chong-il, the supreme commander, at that time, our old war veterans, with deep emotion, had thought of the proud course of our revolutionary Armed Forces, which traversed along the road of victory and glory under the leadership of the party and the leader, and of their brilliant future.

If we failed to uphold the great sagacious commander, how could we imagine the glorious history of our People's Army and its future that will always be embroidered with victory?

It is more than 60 years since our People's Army was founded, and 40 years have passed since we attained historic victory in the fatherland liberation war. However, at no previous time has our People's Army marked as brilliant a golden age in its development as it is marking today.

We can proudly say that today our People's Army has invincible might, which no other army has, in terms of its political and ideological aspect and of its military and technical sector.

When we think of the indomitable might of our People's Army, we can proudly talk about the wise leadership of our comrade supreme commander who has strengthened and developed our People's Army into the Army of the party, of the revolution and of the people. Thus, he made the Army highly display its political and ideological superiority.

After the end of the Gulf war, the bourgeois military commentators were talking about the all-round capability of most modern weapons more noisily than ever before. Needless to say, weapons are important in modern warfare. However, the master who uses these weapons is the soldier.

The might of the military and success in war are to be decided on by men, not weapons. The revolutionary army smashes the enemy with political and ideological superiority. When soldiers are firmly armed with revolutionary ideology and are filled with thorough faith to defend the party and the leader, the revolutionary army, not afraid of attack by any strong enemy, can fight to the end and win victory.

It is a firm view of Comrade Kim Chong-il, our supreme commander, that the decisive power with which we can smash the imperialist aggressor forces, whose military and technological might is very powerful, is political and ideological superiority.

Thus, dear leader Comrade Kim Chong-il dealt a hard blow to bourgeois military doctrine on all-round capability of weapons, and fostered our revolutionary Armed Forces to be a one-a-match-for-100 army. Herein lies his wise leadership and farsightedness.

The comrade supreme commander, who always gives decisive significance to political and ideological factors, directed his primary interest to the work of making the People's Army highly display political and ideological superiority in strengthening the People's Army, and saw to it that this work is vigorously carried out.

As a result, the work to establish the chuche ideological system in the whole Army and to organize the People's Army into combat ranks of genuine chuche-type revolutionaries endlessly loyal to the party and to the leader has been persistently carried out.

Today, the ideological and mental outlook of the officers and men of our People's Army is excellent. "Let us fight by dedicating our lives to the great leader and dear comrade leader!" This is the slogan of faith of officers and men of our People's Army.

Our Army has produced such loyal fighters as the heroes Kim Kwang-chol and Han Yong-chol, who defended the portraits of the great leader and the dear comrade leader and saved their fellow comrades by stopping the exploding hand grenades with their bodies. Every time we witnessed such heartwarming episodes, we wondered if Kim Chin, a hero of the anti-Japanese struggle, and Yi Su-pok, a hero of the Fatherland Liberation War, who stopped enemy fire with their hot-blooded hearts, had been reborn.

The People's Army has produced numerous Kim Chins and Yi Su-poks of the 1990's. Therefore, we can say confidently that our People's Army is strongly prepared on political and ideological terms to resolutely defend the supreme comrade commander.

Our Army's noble ideological and spiritual trait clearly shows that just like it loudly chanted "Long live the great Comrade Hanbyol!" and defended respected and beloved General Kim Il-song by even sacrificing their lives in the dawn of the Korean revolution, it will loudly chant "Long live our Supreme Commander Comrade Kim Chong-il" and resolutely fight no matter what stormy wind may blow in the future.

Whenever we think of the greatness of KPA Supreme Commander Comrade Kim Chong-il, who is leading our revolutionary Army to a victory, we also proudly talk about the wisdom of his leadership in strengthening and developing the People's Army into an invincible Army strongly prepared on military and technological terms. Military and technological readiness is an important indicator that determines an army's combat capability and strength.

At a time when the imperialists totally rely on modern weapons and ultramodern military technologies, a revolutionary army must strongly prepare itself not only on political and ideological terms but also on military and technological terms.

Ultramodern military science and technology is all mobilized in a modern war. Only when a revolutionary army is equipped not only with political and ideological strength but also with military and technological strength, can it become an invincible strong army.

Today, our People's Army takes pride in being a powerful revolutionary army equipped with all the modern means of offense and defense.

When we saw our weapons and equipment marching forward while making thunderous sounds during last year's military parade, we recalled the anti-Japanese war when we fought the Japanese imperialists, armed to the teeth, with the weapons which we took away from the enemy with our bare hands. We also recalled the Fatherland Liberation War when we could not thoroughly clobber the enemy because we were short of rifles and hand grenades.

Those days are gone. Our Supreme Commander Comrade Kim Chong-il has devoted all his energy and efforts to strongly preparing our revolutionary Army on military and technological terms in compliance with the demands of a modern war. The supreme comrade commander has wisely led the People's Army to strengthen combat training to ensure that all the soldiers learn extraordinary and superb war tactics, acquire marksmanship worthy of a crack shot, profoundly learn military affairs and technologies in their own fields, and acquire very strong physical strength. He has also endlessly modernized the weapons and equipment of the People's Army in compliance with the demands of the chuche-oriented war tactics and the real situation in our country, further strengthened each military service and branch, and strongly consolidated the fatherland's guardposts into impregnable fortresses.

Today, our People's Army's military and technological strength is enormous. All the officers and men have been strongly armed with the supreme comrade commander's creative military ideas and theories and war tactics, the entire Army has been made a cadre army and modernized, and all the guardposts have been strongly consolidated into impregnable fortresses. This is an important appearance that shows our Army's strength.

As a result of the struggle to implement the policy of making the entire Army a cadre army and modernizing the entire Army, all the soldiers have been prepared to perform duties of those of an immediately high or very high level, and the People's Army has been strongly equipped with weapons and equipment in a chuche-oriented manner in compliance with the demands of a modern war and the real situation in our country.

As the revolutionary training ethos prevailed in the entire Army under the slogan "Training is also a combat," all the soldiers are prepared firmly to be all-round commanders. Thus, our People's Army is an invincible, strong Army capable of defeating any strong enemy.

When we think of the wisdom of the leadership of the KPA Supreme Commander Comrade Kim Chong-il who continuously strengthens and develops our revolutionary Armed Forces, we engrave with warm emotion in our hearts the great leadership with which he firmly solidified the bonds of kinship between the Army and the people by comprehensively embodying our party's Army-people harmony idea.

The revolutionary Army comes from the people, and it is the people's Armed Forces which serves the country and the people. The source of the invincible strength of the revolutionary Army lies in its bonds of kinship with the people. Apart from the people, the People's Army cannot exist, nor can it carry out its mission as the revolutionary Armed Forces.

Our party's Army-people harmony idea which took root during the days of the anti-Japanese revolutionary struggle and was developed and enriched by the dear leader Comrade Kim Chong-il since, is the chuche-oriented military idea with which the army and the people defend the country and vigorously push ahead socialist construction with wholehearted unity between them.

The comrade supreme commander has proclaimed the comprehensive embodiment of the army-people harmony idea to be an important principle of building the revolutionary Armed Forces at present and a fundamental problem for highly exalting the superiority of the socialism of our own style, and has wisely exercised his leadership to realize it splendidly. The slogan which the great leader put forth during the days of the anti-Japanese revolutionary struggle, "The guerrilla army can no more live apart from the people than a fish can without water," has become a firm life motto of the officers and men of the People's Army. The entire society is filled with the trait of all the people loving and assisting the People's Army.

The great Army-people harmony idea is in full bloom in our country today. On the road of upholding the comrade supreme commander, the Army and the people form a firmly connected indestructible united body. The officers and men of our People's Army are true sons and daughters who love the people and fight for the people at the cost of their lives. It is the common feature of our People's Army to save the endangered people and the children, laying down their noble youth and lives without hesitation and helping people in their work with all sincerity as if it were their own work.

Our people hold the People's Army dear as if it were their own family, and actively support it both materially and spiritually. In the zealous movement to win the title of a "Model Army-People Harmony County" and the "Our Guardpost Is Our Village, Our Village Is Our Guardpost" Movement which are vigorously conducted everywhere across the country, the bonds of kinship between the Army and the people are solidified more firmly with each passing day.

Seeing today's thrilling reality where the party, the Army, and the people advance with wholehearted unity among them, we look back with deep emotions upon the episode of a guerrilla base during the anti-Japanese armed struggle. In those days, the Japanese imperialists conducted all-out scorched-land operations against the guerrilla base, describing it as a cancer impairing peace in the Orient, but they were defeated in every operation. The guerrilla base was able to subsist to the end without help from outside because the Army and the people waged a struggle with wholehearted unity around the great general.

Today differs from then. Now we have the leadership of the party and the leader, a superior socialist system, and a mighty self- reliant economy. So we have nothing to fear. As long as the army and the people are wholeheartedly united around our Comrade Supreme Commander, we can firmly defend the fortress of our socialism, no matter how madly the imperialists may run like hares.

What great pride our party and people have in having the strong and mighty one-a-match-for-100 revolutionary Armed Forces led by our supreme commander Comrade Kim Chong-il today!

In fact, because our People's Army is strong, our people can advance socialist construction without worry and enjoy sound sleep and happy lives.

Today when imperialists take every opportunity to hit weak countries with arms and to infringe upon their sovereignty, a country lacking strong armed forces to defend itself is apt to be overrun by imperialists.

Because we have strong political and military power, the enemy dare not invade us. Our military strength capable of defeating any strong enemy has been acquired at a dear cost. We cannot help but be moved when we think of KPA Supreme Commander Comrade Kim Chong-il's tireless efforts to strengthen our military power.

Our Supreme Commander Comrade Kim Chong-il prepared the matchless one-a-match-for-100 Army and is firmly defending our people's happy lives and the country's dignity and honor. We should thank him from the bottom of our hearts.

3. It is a unanimous desire and an iron-firm oath of all KPA officers and men that they are willing to become rifles and bombs that thoroughly protect and defend our Supreme Commander Comrade Kim Chong-il.

The dear leader Comrade Kim Chong-il noted: As always, the People's Army should defy death to defend its leader, its party, its system, and its fatherland as the Army of the leader and the party and should protect and harden as firm as a rock the unity and adhesion between our party and the People's Army through generations.

Today, with great dignity, our People's Army officers and men call themselves fighters for Supreme Commander Comrade Kim Chong-il. This implies boundless honor and pride of our People's Army soldiers, who are stoutly advancing the revolution under the leadership of the comrade supreme commander, as well as their iron-firm faith and will to share their destinies forever with him.

Reflecting the unanimous spirit and resolution of all People's Army officers and men, Pak Yong-chol and his seven brothers, who are KPA officers, pledged that they will become eight rifles and eight bombs that thoroughly protect and defend the comrade supreme commander.

Our People's Army officers and men are stoutly fighting today with the same determined soul to become rifles and bombs protecting and defending Supreme Commander Comrade Kim Chong-il like Pak Yong-chol and his seven brothers. This encourages us to have firmer faith in the invincibility of our People's Army and in the bright prospect of the chuche revolutionary cause.

In fact, the 60-year-long history of our People's Army can be described as a history of faithfulness, in which our People's Army has fought to the end while trusting only the party and the leader.

Our revolutionary Armed Forces went through an arduous period at the beginning. Their arms and equipment were poor, and their ranks were small. The Japanese imperialists slighted and sneered at our anti-Japanese armed ranks.

Our revolutionary Armed Forces, however, defeated the strong imperialist aggressors and have constantly grown stronger as the revolutionary Armed Forces prepared politically, ideologically, militarily, and technologically. This was possible because of the great leader's wise leadership and our Army's endless loyalty of upholding the leader. Loyalty to the leader is the source of the KPA's invincibility.

Anti-Japanese revolutionary fighters fought, firmly uniting around the respected and beloved leader and upholding him as the center of unity and as the center of leadership, even under the arduous circumstances in which no one could predict when our revolution would win victory. Because of this, our anti-Japanese fighters were always victorious.

It was because all the people and officers and men of the People's Army fought, firmly uniting around the respected and beloved leader, that we could defeat the imperialist aggressors and, thus, could achieve great victory in the Fatherland Liberation War. How can we explain the fact that in the strategical retreat period during the FaTherland Liberation War brave fighters of our People's Army, who advanced far to Naktong River, returned to the supreme command headquarters after marching several thousand miles while breaking through the enemies' encircling nets? Even today we cannot forget those heroic fighters who fell under the enemy fire, shedding blood and shouting "Long live the great leader" and who made firm, solemn vows of loyalty to the general when they embarked on their final decisive battles.

Apart from the firm faith and determination to share destiny with the comrade supreme commander, our People's Army's matchless devotion, lofty sacrifice, and mass heroism cannot be thought of and its ever-victorious spirit cannot be contemplated.

Of course, for an Army to fight against its enemy there may be attack, defense, or retreat. However, there should not be a change in loyalty to the leader [suryong] and in the faith and will to follow its leader [yongdoja]. A revolutionary Army can never shake even under any trials and perform its lofty mission of safeguarding and defending the party and the revolution with rifles only when its faith and will are firm and invariable.

Our People's Army's firm and thorough faith and will to become the fortress and shield which safeguard and defend the party and the leader with arms have made it possible for us to firmly look ahead so that our revolutionary Armed Forces can create an ever-victorious history forever in the future, too by brilliantly succeeding the tradition of loyalty.

Our Supreme Commander Comrade Kim Chong-il has always stressed to officers and men of the People's Army to brilliantly inherit the revolutionary spirit of Yoyonggu. In the anti-Japanese revolutionary struggle period the great leader Comrade Kim Il-song, in Yoyonggu, sternly and thoroughly smashed the maneuvers by factional, flunkeyist elements to split and break off our revolutionary ranks from within and, thus, firmly deepened the singlehearted unity of the revolutionary ranks. It is our party's firm and invariable determination to firmly defend the tradition of singlehearted unity by inheriting the revolutionary spirit of Yoyonggu and to consummate the Korean revolution to the end by surmounting any trials.

The officers and men of our People's Army, by cherishing in their hearts the revolutionary spirit of Yoyonggu, will not only firmly defend the singlehearted unity with our Supreme Commander Comrade Kim Chong-il as the center and will smash, with this strength, all sorts of the imperialists' challenges, but will also become the fortress and shield in safeguarding and defending the socialism of our own style.

That our old veterans, including old anti-Japanese fighters, continue to take the initiative in upholding with loyalty our comrade supreme commander is of very important significance in strengthening the singlehearted unity of the People's Army and its might. The confidence and expectation of the party and the leader [suryong] toward our anti-Japanese revolutionary fighters and veterans are very great. Our Supreme Commander Comrade Kim Chong-il is leading the old revolutionary fighters—who have fought their way through the road of the Korean revolution, upholding the great leader as the center of unity and as the center of leadership, since the anti-Japanese revolutionary struggle period—to be loyal to the party and the leader to the end, wearing the uniform of the revolution, while identifying them as elders in the revolution.

Amid this great confidence and love, our old soldiers, including the old anti-Japanese fighters, are still invariably playing a leading role in the People's Army and are bringing the revolution into full bloom today.

The bosom of our comrade supreme commander is the great fatherly bosom, the great comradely bosom, to which we can entrust all of our destiny and future, like the great leader's bosom in which our old soldiers were embraced in the past [words indistinct]. It is also the eternal revolutionary bosom which makes it possible to firmly advance along the single road of loyalty with indomitable fighting spirit and mettle.

Upholding the leader of the revolution generation after generation with arms in hand, under the warm care of the great leader, is the greatest happiness and glory to our anti-Japanese old fighters and veterans.

Our veterans upheld and defended the respected and beloved comrade commander by rendering themselves human bombs during the anti-Japanese struggle period. With the very spirit, valor, enthusiasm, and attitude which they brought into full play during the anti-Japanese struggle period, resolutely defending the dear leader Comrade Kim Chong-il and completing the chuche revolutionary cause are the consistent pledge of loyalty of our veterans. We are resolved never to take our hands off the rifles of the revolution provided by the leader before we realize the pledge.

Firmly preparing the soldiers of the new generation to be loyalists and filial sons, who are endlessly loyal to our Supreme Commander Comrade Kim Chong-il, is the noble mission of all of us.

The revolution advances and generations change constantly. With days passing, the new generations which have never gone through exploitation and suppression and which have never heard the gunshot of war become the main troops in our People's Army.

The issue of carrying on the generation of the revolutionary Army is an important issue related with the fate of the revolutionary Army. Historical lessons show that if the soldiers of new generations are not indoctrinated in a revolutionary manner, the revolutionary Army's glorious traditions and achievements, which their parents achieved shedding blood, will be destroyed and, then, even the trace of the glorious traditions and achievements will be removed.

The generation of the revolutionary Army precisely means the generation of loyalty and the firmness of faith and will. Only when the soldiers of new generations cherish deep in their hearts the loyalty to their leader and only when they brim over with faith and will to fight in firm unity around the party and the leader, can the revolutionary Army be constantly strengthened and developed in the face of any storms. Only then can the revolutionary Army firmly implement their revolutionary duties.

Today the generations of our People's Army have been firmly carried on. This is our great pride. Firmly defending the outposts which their parents defended and devoting their youth and lives to becoming fighters who uphold our Supreme Commander Comrade Kim Chong-il are the consistent faith of our new generations of soldiers.

There are six fathers and sons who together serve the air forces in our Army. There are also eight brothers who are officers and three twins who serve a tank unit in our Army. This clearly shows that the future of our People's Army is very bright.

Never being satisfied with this, we should further strengthen indoctrination in loyalty to the party and the leader, indoctrination in the revolution, and indoctrination in the class among the soldiers of new generations. By so doing, we should bring up the soldiers of new generations to be genuine revolutionaries who defend the party and the leader with their lives. This is the road to consolidate our People's Army to be ever-victorious and invincible revolutionary Armed Forces. This is also the road to discharge our duties for the revolutionary martyrs.

Marking the anniversary of the victory in the Fatherland Liberation War is the most significant national holiday to the soldiers with rifles in hand. However, only when there are the victories of today and tomorrow can the anniversary of the past victory be brilliant. In view of this, the 40th anniversary of the victory in the Great Fatherland Liberation War is very significant and felicitous to the soldiers of our People's Army.

Because they have upheld the dear leader Comrade Kim Chong-il as the supreme commander, our soldiers of the People's Army are firmly convinced that they will be victorious forever in the future as the People's Army won the victory in the Fatherland Liberation War. They will significantly greet the 40th anniversary of the victory in the Fatherland Liberation War.

The KPA Supreme Commander Comrade Kim Chong-il is the fate of our revolution, the life of our revolutionary Armed Forces, and the ever-victorious banner.

All soldiers of the Army, Navy, and Air Force, who defend the sky, ground, and sea of the fatherland, should be a fortress and shield to uphold our supreme commander comrade. They should discharge their glorious missions and duties as the Army of the leader, the party, and the revolution.

All KPA soldiers respectfully extend the greatest salute with ardent loyalty to our Supreme Commander Comrade Kim Chong-il who has led our revolutionary Armed Forces into victory and glory.

O Chin-u Attends Veteran Promotion Ceremony

SK2107144993 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 21 Jul 93

[Text] A ceremony took place today in Pyongyang to award military ranks of general to meritorious People's Army veterans—who participated in the Fatherland Liberation War—on the 40th anniversary of the victory in the war.

The portrait of the great leader of our party and our people Comrade Kim Il-song and that of Korean People's Army [KPA] Supreme Commander Comrade Kim Chong-il were placed in front of the room where the ceremony took place.

Slogans that read "Long live the great leader Comrade Kim Il-song!" and "Long live the honorable Workers Party of Korea [WPK]!" were also placed in the room.

Present at the ceremony were Marshal Comrade O Chin-u, member of the Presidium of the WPK Central Committee Political Bureau and minister of the People's Armed Forces; KPA General Yi Pong-won; and other generals and officers.

The ceremony started with the chorus of "Song of General Kim Il-song" and "Song of the Dear Leader Comrade Kim Chong-il."

The KPA supreme commander's order on upgrading the military ranks of KPA officers and generals who participated in the Fatherland Liberation War was read at the ceremony.

Heroes of the Republic who achieved heroic feats in the Fatherland Liberation War; professors and doctors who participated in the war and have so far contributed to developing military science and technology; and veterans who have long been carrying out their duty of defending the fatherland in military uniforms since the war were given military ranks immediately higher than their previous ranks.

KPA Generals (Choe Chun-kil), (Chang Song-ik), and (Yu Ki-yong) participated in the debate to express their resolve.

The speakers in the debate emotionally talked about their great honor and happiness of receiving high military ranks thanks to KPA Supreme Commander Comrade Kim Chong-il's trust and consideration at a time when all the people and KPA officers and men across the country, filled with great pride as victors, are meaningfully marking the 40th anniversary of the victory in the Great Fatherland Liberation War.

They stressed that the party's great consideration is filled with the belief and expectation that just like they did in the past, our war veterans will also reliably defend the chuche revolutionary cause with guns [chongdaero] in the future and defend, maintain, and glorify the socialism of our own style.

The speakers talked about how the KPA comrade supreme commander said that our party is strong because of the war veterans. They also talked about how the KPA comrade supreme commander put the veterans in the forefront of important guardposts of the revolutionary force and gave them strength when they lacked it, gave them wisdom when they lacked it, and warmly led them by holding their hands every step of the way so that they can become the standard bearer in the work to strength the People's Army.

They said that there were many veterans who shed blood in the sacred fight to safeguard the fatherland in the struggle history to liberate mankind, but there are no veterans anywhere in the world like our veterans, who are being upheld as the pride of the nation and as enthusiastic patriots and are enjoying a worthwhile and glorious life.

They said that this glory and happiness can be received only by our country's war veterans, who live by highly upholding our comrade supreme commander. They said that our comrade supreme commander entrusted the fate of our war veterans and truly elucidated their life only through his great love. They gave greatest honor and warmest gratitude to the KPA Supreme Commander Comrade Kim Chong-il, the infinite sun in the lives of our veterans and benefactor of happiness.

The speakers expressed the promise of single-hearted loyalty and filial piety of fulfilling their honorary duty as the standard bearer of our party even until the last days of their lives according to the great leadership of the KPA Supreme Commander Comrade Kim Chong-il. They said that under whatever difficulties they will desperately safeguard the party and the leader by becoming guns and bombs, and unhesitatingly jump into water and fire if it is the comrade supreme commander's order and instructions so that they can thoroughly fulfill his order and instructions to the end, thus to establish the revolutionary discipline and consolidate as firm as a rock the whole Army's single-hearted unity.

They said that they will strengthen the combat and political training in accordance with the demand of the prevailing situation so that the military unit's combat readiness and combat power can be strengthened by all means; actively contribute in firmly organizing the core [word indistinct] of our revolutionary force; and work so that the third and fourth generations of the revolution will unyieldingly succeed as the blood vessels of our revolution. They said that as such, they will fulfill their duty as a loyalist of the WPK and as a revolutionary veteran.

A letter of pledge to the KPA Supreme Commander Comrade Kim Chong-il was adopted at the ceremony.

---

27 Jul Defined as 'Day of Second Liberation'

SK2207105493 Pyongyang KCNA in English 1020 GMT 22 Jul 93

["Historical Day of 2nd Liberation in Defence of Dignity and Sovereignty of Nation"—KCNA headline]

[Text] Pyongyang, July 22 (KCNA)—Dr. Pang Munkwon says in an article contributed to NODONG SINMUN today that the dear leader Comrade Kim Chong-il defined anew the historical position of the anniversary of the Korean people's victory in the Fatherland Liberation War in the history of the Korean nation and the accomplishment of the cause of independence by setting July 27, the anniversary of the victory in the war, as day of second liberation.

The article says:

The day of victory in the war is the day of second liberation for our people because through the war they repulsed the imperialist aggression and defended the national dignity and sovereignty.

August 15 is for our people the historical day of liberation when the great leader Comrade Kim Il-song restored the national independence and sovereignty by leading the arduous and long-drawn-out anti-Japanese war to victory, defeating the Japanese imperialist aggressors and freeing the Korean people from their colonial yoke.

South Korea, however, was reduced to a colony again after August 15 liberation.

And imperialists started an armed invasion with the aim of overthrowing the people's democratic system of the northern half of the country and reducing the whole of Korea to their colony.

Our people creditably defended the freedom and independence of the fatherland by repelling the armed invasion of the enemy and winning a historical victory in the grim Fatherland Liberation War. Thus, the day of victory in the war is for our people a revolutionary auspicious day that brought about the 2nd liberation.

By winning victory in the Fatherland Liberation War our people greatly contributed to defending the just cause of the peoples and peace and security of the world and opened a new era of upsurge for the cause of anti-imperialist independence.

The day of 2nd liberation of our people through their victory in the Fatherland Liberation War is entirely a precious fruition of the wise leadership of the great leader Comrade Kim Il-song.

Our People's Army and people now are defending the socialist bastion as an impregnable fortress under the wise guidance of the dear leader Comrade Kim Chong-il, iron-willed brilliant commander who is successfully carrying forward the chuche cause pioneered by the great leader Comrade Kim Il-song to accomplishment.

Ability To Rebuild From Ruins of War Praised

SK2107000893 Pyongyang KCNA in English 1518 GMT 20 Jul 93

["'Miracles of Korea' Korea Has Risen on Ruins"—KCNA headline]

[Text] Pyongyang, July 20 (KCNA)—"We know well that Pyongyang and other cities and villages of your country were reduced to ruins in the Korean war like Hiroshima. Howerer, "today the high-rise buildings standing in rows, wide and open roads and monumental edifices that go well with parks and recreation grounds covered with green foliage in all cities of Korea, look like a picture."

This was what acting chairman of the Hiroshima Chamber of Commerce and Industry, Koroi Matsui, said when he visited Korea last year, leading a Japan-Korea friendship delegation from Hiroshima.

Korea standing imposingly in East Asia is a country of miracles which had risen on war debris.

The heroic Korean people defeated the enemy, who had boasted of being the "strongest" in the world, in the Fatherland Liberation War and has built a prosperous, people's paradise in a short period after the war.

In three years of war the enemy dropped on the northern half of Korea more than 448,000 tons of bombs and some 36 million litres of napalm bombs.

All cities, 8,700 industrial establishments, 600,000 or more dwelling houses, more than 5,000 schools, 1,000 odd hospitals and clinics, some 260 theatres and cinema houses and many other cultural and welfare facilities were destroyed. Not a house or a tree was left unhurt.

The enemy driveled that Korea would not be able to rise again even in a hundred years.

The great leader President Kim Il-song said:

"...We must shatter the enemy's silly talk that Korea would not be able to rise again even in a hundred years, and demonstrate through the postwar reconstruction work also once more the might of the heroic Korean working class to the whole world."

Shortly after the ceasefire President Kim Il-song put forward the unique economic construction line of giving priority to the development of the heavy industry with simultaneous development of the light industry and agriculture. And he gave on-the-spot guidance to all parts of the country, opening a new history of creation and construction.

Thus workers of the Kangson steel works rehabilitated the electric furnaces and turned out the first molten iron 40 days after the ceasefire and workers of the Hwanghae iron and steel works built a 100-ton open-hearth furnace in less than one year.

It was in those days that 120,000 tons of rolled steel were produced from a blooming mill with a rated capacity of 60,000 tons and the construction of Haeju-Hasong railway line extending 80 kilometres which would have taken three or four years at ordinary pace was completed in a matter of 75 days.

The builders of the capital created the "Pyongyang speed" of assemblying one flat in 14 minutes while building houses for 20,000 families in one year.

In this miracle and at this speed Korea carried out its three-year plan and five-year plan before the set time and successfully fulfilled the seven-zear plan. And it carried out socialist industrialization in 14 years.

In the 70s the economy, culture and all spheres of social life greeted a big heyday.

The six-year plan (1971-1976) was carried out one year and four months ahead of schedule in the gross industrial output value and the seven million ton target in grain production envisaged in the plan was hit two years earlier than the schedule.

Houses for more than 886,000 families and many public buildings and cutural and welfare facilities were built, completely changing the looks of towns and villages.

In the decade there were built in Pyongyang above 40 industrial establishments with a total floor space of one milion square metres, 50 odd grand public buildings, 20 or more streets lined with high-rise apartment houses including Nakwon and Chollima streets each with houses for thousands of families, and new roads.

In the 80s bold constructive programs for erecting 1,000 major buildings at a time were carried out one after another, demonstrating once again the tremendous might of the national economy to the whole world.

Among nearly 300 monumental edifices built in the capital city in the decade are the tower of the chuche idea, the arch of triumph, the grand people's study house and the May Day stadium.

Entering the 90s, the creation and construction are progressing on a larger scale.

With those buildings and edifices dedicated to the promotion of the people's wellbeing, all the people in Korea are now enjoying an affluent and cultured life to the full without worries about food, clothing and housing, saying that sixty is the prime of life and ninety is the first step to old age.

Increase in Amount of Arable Land Noted

SK2007231693 Pyongyang KCNA in English 1505 GMT 20 Jul 93

[Text] Pyongyang, July 20 (KCNA)—The area under cultivation is on an increase in the Democratic People's Republic of Korea.

The Wonpo, Pangdo and Wado state farms and Unjong co-op farm have come into being in recent years on the reclaimed tideland on the west coast of the country, making a remarkable contribution to agricultural production growth.

The final damming-up project on the Kumsong tidal flat was completed some time ago, making it possible to increase the area of arable land. In Korea where the arable land is limited, big efforts are being put into the reclamation of tideland as part of the undertakings to bring more land under plough.

The state has set itself the goal of reclaiming 300,000 hectares of tideland and has annually increased investment in this program.

As a result, one hundred and scores of islets were connected to land, the length of the west coastline decreased by more than 400 kilometres, and some 80 fishing ports moved out to the new coast.

Several hundred farms and workteams including the state March 3 farm, the Taepung, Undok and Namhae co-op farm, and more than 100 rural villages have made their appearance.

And there came into being many salt works including the Yonbaek and Nampo salt works, tens of reservoirs including the September 18 and Kwaksan reservoirs and several fish farms.

Solid material and technical foundations for the reclamation of tideland have been laid in the country.

There are general tideland reclamation enterprises equipped with powerful machines and groups of technicians in the west coastal area.

Soldiers of the Korean People's Army and young people from across the country are participating in the reclamation of tideland.

Scientific and technological problems in the reclamation and managment of tideland are successfully being solved by the hydraulic engineering institute, the tideland research institute, the institute for agricultural irrigation and others. Professional technicians are trained systematically at colleges of tideland reclamation and the university of hydraulic power.

* Importance of Science, Technology Emphasized

932C0154A Pyongyang NODONG SHINMUN in Korean 29 May 1993 p1

[Text] Today, as all the people are answering the party's combative call and strongly pressing for revolution and construction with single-minded determination to gloriously welcome the 40th Anniversary of Victory, the task of having to put continual effort into scientific and technological development appears before us.

The dear leader Comrade Kim Chong-il pointed out the following:

"We must not be satisfied with the results we have achieved in the scientific and technical arena, but must actively struggle to develop our country's science and technology to a new and higher level."

Our party has been consistently leading in the strategic socialist construction task of developing science and technology. Without aggressively developing technology, we cannot strongly push forward with economic construction and improve the lives of the people.

This is the age of science and technology.

The task of our scientists and technicians to raise the nation's science and technology to world levels by realizing the lofty goals of scientific and technical development presented by the party can be seen in the slogan of the party Central Committee on the eve of the 40th Anniversary of Victory.

With a clear understanding of world trends and the purpose of the party, where others walk one step, we must run ten, a hundred steps and quickly raise our science and technology to world levels.

At the present time, the development of science and technology is also urgently needed to support and defend socialism and to highly exalt its superiority.

The front line of science and technology is one of the battle lines of intense conflict in the confrontation between socialism and imperialism. We can say that the rapid development of the nation's science and technology is the key to defending and developing the great accomplishments of socialism and to gaining victory in the confrontation with the enemy.

A new upsurge is now occurring in the construction of socialism brought about by the laborious struggle of the workers to welcome the approaching 40th Anniversary of Victory with lofty political zeal and the glorious fruits of labor. The guarantee for maintaining this high tide and for occupying the lofty peak of socialist economic construction is the further development of science and technology. Both the solution to the problems of natural resources, fuel and power, and the secret to increased production and conservation are to be found in the development of science and technology. The automatization, robotization, and computerization of production progress [control] technology, production methods, and management activity, even the elevation of all of this to a new scientific and technological stage, are guaranteed by scientific and technological development.

The dear leader Kim Chong-il, while emphasizing the role of basic science and technology in increasing production and developing the economy, revealed the overall tasks and methods for quickly developing the nation's science and technology.

We must support the purpose of the party and achieve new advances in the work of developing the nation's science and technology.

More than anything else, workers must have a proper viewpoint of and attitude toward science and technology. The work of developing science and technology will be organized by our workers, members of the revolutionary leadership. From our economic leadership-workers on down, the results of our country's scientific and technological development are decided, in an important way, by all of our workers' viewpoints and attitudes toward science. Socialist economic construction and the work of scientific and technological development are not separate issues. The development of science and technology is for the promotion of production and the strengthening of our economic foundation. Therefore, it is not something that we may do, or not do, as we see fit. Nor is it something we should do only when all the proper conditions are met. The struggle to develop science and technology is a task that everyone should take interest in and work for. From the Cabinet committee and department head-workers to the workers of production units, all should always be thinking and striving to do organizational work. In particular, we must firmly establish a character that consistently goes ahead with a task once it has been set forth.

To develop science and technology, we must further elevate the responsibility and duties of scientists and technicians.

Scientists and technicians are the people directly in charge of carrying out the party's policy on science and technology. If they make the most of their revolutionary character and creative wisdom, keeping in mind their lofty dignity and responsibility to go on defending and supporting our socialistic accomplishments with science and technology, there will be nothing they cannot do accomplish.

The following is indicated in the party Central Committee slogan on the eve of the 40th Anniversary of Victory:

"Go on solving, in our way, the urgent scientific and technical problems that appear in the process of making the people's economy independent, modern, and scientific!"

It is important that scientists and technicians concentrate their efforts on the work of scientific research able to produce rapid results in solving the problems that appear in the process of making the people's economy independent, modern, and scientific. They all should proudly welcome the 40th Anniversary of Victory with the dignity of having achieved even greater scientific and technical success.

We must also aggressively adopt advanced science and technology to develop our own.

The adoption of advanced science and technology is one important method of pulling up the nations science and technology within a short period of time to the levels of world high technology. If this is done in a way that is consistent with the interests of our revolution and our nation's circumstances, this will, in fact, be establishing our autonomy in the fields of science and technology. From among the scientific and technical achievements of other countries, we must adopt those things that can be of real help to our economic and scientific and technological development. Particularly, we must cautiously consider scientific and technological issues, and their economic aspects, and adopt technology at the appropriate time and quickly make it profitable.

To develop science and technology, we must elevate the roles of party organizations and the Third Generation Revolutionary Teams.

Party organizations, workers, and the Third Generations Revolutionary Teams must aggressively carry out the struggle to develop science and technology and to adapt the results to production. Together with this, the economic administrator-workers and the technician-workers must help then to actively struggle for the nation's scientific and technological development. When all workers, scientists, technicians, and Third Generation Revolutionary Teams put greater effort into scientific and technological development, they will achieve a transformation in the execution of the Three Year Science and Technology Development Plan, and a new high tide will arise in socialist economic construction.

South Korea

Reportage, Commentary on Results of U.S.-DPRK Talks

IAEA Spokesman's Comments Cited

SK2107143593 Seoul KBS-1 Radio Network in Korean 1408 GMT 21 Jul 93

[YONHAP from Paris]

[Text] The International Atomic Energy Agency [IAEA] welcomed today the result of the second round of talks between North Korea and the United States, which had been held in Geneva to resolve the North Korean nuclear issue. The IAEA hoped that negotiations between the agency and North Korea on the implementation of the nuclear safeguards accord will be held as soon as possible. Hans Meyer, spokesman for the IAEA, said today: We welcome the result of the Geneva talks between North Korea and the United States. The nuclear issue now depends on North Korea's attitude. We hope that the issue will be successfully resolved.

He also said: The IAEA has for several months been sending messages to North Korea in the name of Director General Hans Blix, urging the resumption of negotiations. The IAEA is waiting for North Korea's response indicating a date for the resumption of negotiations.

CHOSON ILBO Comments

SK2107084193 Seoul CHOSON ILBO in Korean 21 Jul 93 p 3

[Editorial: "The Nuclear Issue and Time-Buying Tactics Used by North Korea"]

[Text] The second round of the high-level U.S.-North Korean talks succeeded in getting North Korea to constantly come out to the talks to discuss the nuclear issue. As North Korea stated in the joint letter of announcement [kongdong palpyomun], if North Korea resumes negotiations with the International Atomic Energy Agency [IAEA] as soon as possible to discuss special inspections and if it comes to the North-South talks, an international atmosphere on the Korean peninsula, which has been dismal owing to the nuclear issue, will be bright.

Carefully considering the contents of the joint letter of announcement, it is still too early to have an optimistic view of the U.S.-North Korean talks. To gain North Korea's agreement in which there is no any time limit to its implementation, the United States has promised North Korea that it will not threaten North Korea with armed force and that it will support North Korea's efforts to replace their graphite-moderated reactors with light-water moderated reactors. In addition, the United States has accepted North Korea's demand for the impartiality of the IAEA. Apart from the letter of joint announcement, the United States issued a separate statement and revealed that only when North Korea first implements its promises can the third round of the talks be held. However, considering the course of the negotiations so far, it is feared that North Korea may drag on time.

When the second round of the talks began, the United States took a stern position that if there is no progress in the first day's talks, the United States will not continue talks. However, it seems that the negotiations proceeded according to North Korea's intent. There is no knowing what kinds of maneuvers North Korea will employ in connection with the issue of implementing the points agreed upon in the letter of joint announcement. The points that the United States have promised to North Korea are the ones with which North Korea can easily take issue when there is no progress in negotiations with the United States.

It is highly likely that North Korea may use a nuclear card and time-buying tactics for a considerable period. It is certain that if North Korea gains a concession, it may devise every means possible to gain another concession. We can easily predict that if North Korea cannot have its own way in the talks, North Korea will employ the hackneyed means of placing the responsibility on the partner and suspending the talks.

How long should the unproductive negotiations be continued? When North Korea does not show its intent to voluntarily dissipate the nuclear suspicion, there are only two methods the United States can take—being forced to continue negotiations by accepting North Korea's demand and coping with North Korea through sanctions. While the U.S.-North Korean talks were being held, Unification Board Minister Han Wan-sang, who was visiting the United States, declared in public that "military sanctions should not be imposed against North Korea." His remarks, after all, helped North Korea stand in a better position in negotiations with the United States. We cannot understand why the ROK Unification Minister conducted such a foolish act of setting up a limit in advance, under the circumstances in which the U.S. side and the North Korean side were devising various strategies.

Judging from the U.S. will which has been revealed so far, the U.S. policy to prevent North Korea from developing nuclear weapons seems to be firm. We should not hurriedly have an optimistic view of the second round of the U.S.-North Korean talks, because the result at the talks has paid the way for resolving the nuclear issue and for resuming the North-South talks. If North Korea does not implement the points agreed upon, we and the United States should show a strong will to prevent North Korea from using a delaying tactics no longer.

IAEA Urges Quick Resumption

SK2207004493 Seoul YONHAP in English 0014 GMT 22 Jul 93

[Text] Paris, 21 (YONHAP) [dateline as received]—The International Atomic Energy Agency [IAEA] has welcomed the outcome of the U.S.-North Korean high-level talks in Geneva and expressed hope that it could start negotiations with North Korea on implementation of the Nuclear Safeguards Agreement as soon as possible.

Hans Meyer, IAEA spokesman, told YONHAP over telephone Wednesday that it was now up to Pyongyang to solve the North Korean nuclear issue. The IAEA hoped that the North Korean problem would be resolved soon, Meyer added.

The IAEA had sent a telegram in the name of Director-General Hans Blix to North Korea and was now awaiting a North Korean reply that would specify the date for the resumption of its negotiations, Meyer said. The IAEA wished that the negotiations would start soon so that it could resume its inspection of North Korean nuclear facilities, Meyer said.

The IAEA last sent a telegram to North Korea on July 16, proposing to discuss problems related to IAEA inspection, but North Korea replied that it could not accept the IAEA proposal because of its scheduled talks with the United States in Geneva.

The IAEA has not yet decided whether to send another message to Pyongyang, but Meyer said he expected that the IAEA would probably send a message to North

Korea after studying the results of the U.S.-North Korean talks which had been forwarded to it by the U.S. delegation.

Editorial: Reaction Mixed

SK2207014393 Seoul THE KOREA HERALD in English 22 Jul 93 p 6

[Editorial: "Geneva Nuke Talks"]

[Text] The results of the Geneva talks between the United States and North Korea on the nuclear dispute were better than nothing, as ruefully termed by a U.S. State Department official. With reservations, the bilateral accord reached might be billed a breakthrough averting a dangerous showdown. Washington plays up the positive side of the laborious negotiations.

On the other hand, reactions from others, including some Asian capitals, the American press and specialists, range from the guarded to the critical. The Japanese foreign minister expressed dismay at the inadequacy of the agreement. The deal is viewed by most U.S. pundits as falling short of the goal of preventing a nuclear arms race in Asia because it does not guarantee immediate opening of the suspected North Korean nuclear facilities to outside inspections.

The second round of talks produced a statement of patently diplomatic equivocation and procrastination. North Korea agreed to begin talks with the United Nations' nuclear watchdog, the International Atomic Energy Agency [IAEA], on opening nuclear sites. It also pledged to resume contacts with Seoul on enforcing the bilateral accord for the denuclearization of the Korean Peninsula. In return, the United States promised to help North Korea acquire new and less-threatening nuclear reactors not suited for producing weapon-grade material.

The statement merely suggests Pyongyang's readiness to talk but does not specifically renounce the threatened withdrawal from the Nuclear Nonproliferation Treaty [NPT]. The Geneva agreement may open up the prospect of North Korea gaining political respectability and assistance from wealthy Asian neighbors and Western countries, while leaving it free to continue its weapons development program by feigning adherence to NPT commitments.

The only safeguard, though presented one-sidedly by Washington, is the U.S. determination not to hold the next round of the promised talks with North Korea until the latter undertakes serious discussions with the IAEA and with South Korea. Pyongyang should never indulge in a double deal of nominally staying in the IAEA regime while covertly building nuclear weapons. There is a probability of such a neat trick by the North Koreans, and Seoul, Washington and the world community must keep up their guard.

The tortuous talks with North Korean Communists leading to the Korean armistice of the early 1950s showed that they are a tough party to negotiate and bargain with. They are best at haranguing, pigeonholing and double-talking, then changing the rules of the game and upsetting the whole affair.

The nuclear squabble stopped only one step before the brink. It actually came back to where North Korea started its nuclear black-mail months ago. The future depends on North Korea developing a sensible pragmatism to steer clear of the worst-case scenario.

Seoul Seeks To Prevent DRPK Exploiting Reactor Issue

SK2207073093 Seoul YONHAP in English 0720 GMT 22 Jul 93

[Text] Seoul, July 22 (YONHAP)—Foreign Minister Han Sung-chu said Thursday that the government will try to prevent North Korea from making the acquisition of light water reactors a condition for allowing inspection of its nuclear facilities by the International Atomic Energy Agency.

The Seoul Government would work closely with the United States to resume inter-Korean dialogue and maintain the position that South Korea is one of the main players in international efforts to resolve the North Korean nuclear issue, Han was quoted as saying.

Han explained the government's position with regard to North Korea to chairman Kim Chong-pil of the ruling Democratic Liberal Party [DLP] during a visit on Wednesday morning to report on the outcome of the U.S.-North Korean high-level talks in Geneva and the Seoul Government's measures related to them, according to DLP deputy spokesman O Chang-sop.

Han told Kim that North Korea had recognized the importance of its agreement on nuclear safeguards with the IAEA and expressed a willingness to open inter-Korean dialogue at an early date, while the U.S. side supported a move by North Korea to introduce light water reactors and showed its readiness to discuss the problem with Pyongyang, O said.

In his meeting with Kim, Han predicted that the United States and North Korea would resume their contact within two months and could reach further agreements, oh said.

Kim told the foreign minister that the government, in close coordination with the United States, should do its best to help realize outside inspections of North Korean nuclear facilities and resume South-North dialogue.

Kim warned, however, that the government should be wary of any possible setback to national interest, O said.

Foreign Minister: Atmosphere for IAEA Talks Exists

SK2207015993 Seoul YONHAP in English 0143 GMT 22 Jul 93

[Text] Seoul, July 22 (YONHAP)—The North Korea-U.S. high-level talks were a double-edged sword, giving Pyongyang the justification to reopen to nuclear inspection and at the same time building up the justification for U.N. action against North Korea, Foreign Minister Han Sung-chu said Thursday.

If North Korea did not take specific action within one to two months on allowing inspection, the International Atomic Energy Agency (IAEA) had no choice but to report to the U.N. Security Council, which would follow with countermeasures, he said.

Addressing a seminar of professors on Korean reunification, the foreign minister said the recent Geneva meeting between Pyongyang and Washington created the right mood to induce North Korea to resume talks with the IAEA and give it the right amount of justification to make concessions.

"But if North Korea does not follow up with concrete measures on inspection within one to two months, the IAEA has no choice but to report Pyongyang's noncompliance to the U.N. Security Council," he said.

"Regardless of what North Korea and the United States may have agreed on, Pyongyang cannot justify its noncompliance with the IAEA on the grounds that Washington did not keep up its end of the bargain," said Han.

The sought solution was to give North Korea all the right reasons to make concessions, but on the other hand, the strategy was to justify strong action by the Security Council if North Korea failed to come through despite all the negotiation efforts, he told the seminar.

Addressing concerns in Seoul that resolution of the North Korean nuclear problem has been too dependent on international efforts instead of inter-Korean dialogue, Han said the key idea was to secure the right kind of "stick."

"North Korea's nuclear situation is not only a problem between South and North Korea, but an international problem involving the Nuclear Non-proliferation Treaty, the IAEA, and the U.N. Security Council," he explained.

"The most effective stick is Security Council action, but we would not have had this stick available to us if we had limited the situation to just between South and North Korea," said Han.

"Consequently, a solution to the nuclear problem has to be found within the post-Cold War new world order that encompasses not only the four superpowers but the IAEA and the Security Council," he said.

Reviews U.S.-DPRK Talks

SK2207034993 Seoul CHOSON ILBO in Korean 22 Jul 93 p 5

[From the "Current Affairs" column: Article by Foreign Minister Han Sung-chu entitled "Geneva and Seoul"]

[Text] U.S.-North Korean contacts have been held as a tool for resolving North Korea's nuclear issue. Reaction by the media on the U.S.-North Korean Geneva talks is divided. Some have expressed concern that North Korea's nuclear issue, which has to be resolved soon, has not been clearly resolved.

As various processes pertaining to the U.S.-North Korean talks are being promoted according to the government's strategy for resolving the nuclear issue, we can positively evaluate the outcome of the talks.

The first phase of contact in New York had produced North Korea's suspension of its decision to withdraw from the Nuclear Nonproliferation Treaty [NPT]. The second phase of contact in Geneva has generated North Korea's pledge to begin negotiations on International Atomic Energy Agency [IAEA] inspection. These achievements, of course, are less satisfactory than the transparent outcomes including North Korea's return to the NPT and North Korea's acceptance of the IAEA's inspection. These, however, are the best, realistic alternative choices in terms of our strategy.

When North Korea's nuclear issue surfaced last March, the government set up a strategy with clear goals and several principles in a bid to resolve it. The goals are aimed at having North Korea stay in the NPT, having North Korea accept the IAEA's inspection, and dispelling suspicion about the nuclear issue through North-South mutual inspection. In order to accomplish these goals, the government planned to use persuasion and pressure simultaneously. As tools for these goals, the government planned to mobilize all possible channels including North-South dialogue, U.S.-North Korean contacts, and PRC-North Korean relations as well as the IAEA and the United Nations' Security Council.

Our means of strategy for resolving the nuclear issue comprise persuasion and pressure or a carrot and stick diplomacy. We chose persuasion according to the principle in which we attempt to peacefully resolve North Korea's nuclear issue. If it is effective in resolving the nuclear issue, that is fine. If not, persuasion is an essential process for preparing the stick, that is, measures by the UN Security Council. Our positive evaluation on the outcome of the New York or Geneva talks is based on our judgment that the process by means of persuasion is making progress.

We have spent the past four months of the persuasion process on preparations to strengthen the UN Security Council's measures. That is because all efforts at persuasion by international society, including China, has proven to be ineffective on North Korea.

Attention will be focused for the time being on negotiations between North Korea and the IAEA. In the event that North Korea does not take tangible measures for IAEA inspections within the next one or two months, the IAEA will be forced to report North Korea's nonfeasance to the UN Security Council based on UN Security Council Resolution No. 825, and the UN Security Council will take measures accordingly.

Now that North Korea has returned to the NPT and has promised negotiations for IAEA inspections four months since North Korea's nuclear issue emerged, they face the moment of truth. We are now almost through with the persuasion process. We clearly showed North Korea the price they would have to pay if they were to persist in their assertions and the benefits they would gain if they were to resolve the problem. Now the ball is in North Korea's court. Whether North Korea accepts IAEA inspections or faces the UN Security Council's measures is up to them. In that regard, the U.S.-North Korea Geneva talks have greater meaning not in gaining North Korea's promise but in providing legitimacy [myongbun] and incentive for North Korea's retreat [hutoe].

There is rising suspicion that one of the problems of the U.S.- North Korea talks, was the, albeit temporary, loss of our initiative in relations with North Korea from excessively emphasizing a solution to the nuclear issue.

While sympathizing with the conclusion that even U.S.-North Korea contacts should be used as a tool in solving the nuclear issue because it is a serious one which directly affects the entire nation's security, people question what is to be done with North-South relations. Such doubts or questions are expected to be removed soon because without North-South dialogue, neither the solution to the nuclear issue nor the progress in U.S.-North Korean relations which North Korea desires will be realistically possible. This became more apparent through the recent U.S.-North Korean contacts both in New York and in Geneva.

For our part, we clearly showed North Korea that formulating legitimate reasons to accept any IAEA inspection, was the way to solve the nuclear issue and avoid referral to the UN Security Council.

Of course, North Korea may think that it earned many concessions from the U.S. side in recent U.S.-North Korean contacts and that the contacts were a great success, but we think that North Korea's self-assessment of profiting in the recent contacts by building up legimitate reasons [myongbun chukchok] is helpful in solving the problem. If North Korea simply raised the nuclear issue and delayed the solution of the issue since last March in a bid to gain time needed for nuclear development, then they, too, may now realize that they can no longer put off the decision. Herein lies the significance of the Geneva talks.

Discusses Talks With SEOUL SINMUN

SK2207095493 Seoul SEOUL SINMUN in Korean 22 Jul 93 p 3

["Special interview" with Foreign Minister Han Sung-chu by SEOUL SINMUN senior political reporter Kim Haeng-su at the foreign minister's office in the Central Government Building in Seoul on 21 July—first two paragraphs are editor's note]

[Text] After the end of the second-phase of U.S.-North Korea talks, the North Korean nuclear issue has become an issue between the International Atomic Energy Agency [IAEA] and North Korea, between North and South Korea, and between the United States and North Korea. It seems that the axis, which is tightly linked to this issue, will function independently at times. The North Korean nuclear issue has just passed the first gateway toward resolution, and the road to ensuring the "transparency" of the issue is still far and rugged.

The thought of ROK Foreign Minister Han Sung-chu, the field commander of our diplomacy, was the same. Kim Haeng-su, senior political reporter of this newspaper, met with Minister Han in his office in the Central Government Building on the morning of 21 July after the second U.S.-North Korea talks. Minister Han accepted an emergency interview on the North Korean nuclear issue and its future prospects; the role of the four Big Powers around Korea and their joint cooperative system, and other major outstanding diplomatic problems.

[Reporter Kim Haeng-su] The government assessed the second phase of U.S.-North Korea talks as an "important progress." However, Japan and some public opinion in the United States were reported to be somewhat critical. Some members of the Democratic Liberal Party [DLP] also had a critical view.

[Minister Han Sung-chu] As no concrete promise for inspection was made by North Korea, they might have a negative view. However, the North Korean nuclear issue is something that should be resolved gradually and step by step. This being the case, assessment of the talks as a "failure" or "success" is not appropriate. We are leading this issue in the direction of our idea. We are trying to negotiate by allowing North Korea to have certain justification [myongbunul chuda].

[Kim] Concerning the North Korean nuclear issue, the United States and North Korea held high-level talks on several occasions, and the situation around us is also changing. I think our policy on the North Korean nuclear issue and the method of North-South dialouge should also change.

[Han] The Unification Board will properly handle North-South relations. These relations also have international ties. I believe that the recent statement of the United States and North Korea will work as an occasion for promoting North-South dialogue. If North Korea will not comply with IAEA inspections, sanctions will follow.

However, North-South dialogue is different. North Korea thinks that the continuous exclusion of South Korea from the talks for the solution of the nuclear issue would be beneficial to itself for the time being. Therefore, the possibility of North Korea's responding to the resumption of North-South dialogue is very slim at the moment. Nevertheless, as North-South dialogue is a precondition for the third phase of U.S.-North Korea talks, North Korea may come to the dialogue table with the South for the sake of resuming the third phase of talks. However, North Korea's intention at the moment is unclear.

[Kim] The press statement stipulates that North Korea will have consultations only with the IAEA.

[Han] In fact, it is not important whether North Korea expresses its will to accept nuclear inspections or not. What is important is the result. Whether or not North Korea advances toward sanctions to be imposed by the UN Security Council in September, in other words, whether or not North Korea will fulfill its obligations as a member of the IAEA, should be the basis of our decision.

[Kim] There are many different assessments at home and abroad pertaining to the level of North Korea's nuclear development. To what extent has this level been revealed through the first and second U.S.-North Korea talks?

[Han] Judging from its facilities and type of operation, it is certain that North Korea has manufactured nuclear materials. What is different is the quantity between what North Korea registered and what has been estimated. The inspection would be the very act to examine such difference.

[Kim] The issue of supporting the light-water moderated reactor, which has been intermittently discussed clandestinely in the past, has now emerged to the surface of official talks on a full scale. What is your prospect for the issue?

[Han] It appears that people think as if the United States has promised North Korea it will build an atomic power station there. However, we should not think so.

There was merely a vague commitment [magyonhan onjil]. It would be a precise view that the issue of supporting a light-water moderated reactor is related to North Korea's domestic matter and this issue is intended to give justification to North Korea for accepting the inspection. Besides, from a long-range point of view, and for the sake of problems concerning nuclear energy development, nuclear weapons development and nuclear safety, it is desirable to equip the facilities with a light-water moderated reactor.

Although it is a work for the far-distant future, the international society, including us, should help this work.

[Kim] It seems that with the current talks, the North Korean nuclear issue has three different channels of dialogue. That is: Dialogue between North Korea and IAEA, between us, and between North Korea and the United States.

[Han] As I pointed out earlier, North-South relations would be unclear if they are viewed on a short-term basis. However, as North Korea will inevitably need our cooperation for its economic restoration, it will certainly respond to dialogue with us at last. Because the consequences are very clear in the event that there is no achievement in consultations between North Korea and the IAEA, North Korea will have to make a visible commitment. The U.S.-North Korea dialogue has progressed to the second phase. However, the precondition of further progress is North-South dialogue and IAEA inspection. Therefore, the significance of such progress would be lessened if this precondition is not complied with.

[Kim] Is there any difference in views among government agencies and offices concerning our side's proposals to the North and countermeasures for the North Korean nuclear issue?

[Han] There is no other alternative policy than what we have pushed ahead with up to now.

If there is any difference in views, it is not the difference in policies but the difference in assessment of results and processes. For example, whether the first-phase U.S.-North Korea talks were successful or not and what are the results of the second-phase talks, and so forth.

[Kim] What was the content of your conversation with U.S. Secretary of State Christopher?

[Han] Secretary Christopher clearly stated that although it was the United States that held dialogue with North Korea, its act was carried out on behalf of the ROK and international society. Therefore, what took place was not merely dialogue between the United States and North Korea, but was the talks for solution of the nuclear problem. He promised to continuously maintain close cooperation with us.

[Kim] It seemed that there was no practical role we could play in the U.S.-North Korea talks. What is our practical role and true aspect in our "tuning in harmony" with U.S. views?

[Han] It is true that the party, which is actually concerned with North Korea, is the South, and for this, all of our people might have felt a sense of alienation, thinking as if there is something that we do not know. However, in view of the nature of the talks, we could not make public all contents of the consultations. Whenever a contact was held, the two sides jointly analyzed the North Korean attitude attentively. Assistant Secretary Gallucci dropped by and had consultations with the ROK embassy even before he attended the talks.

[Kim] What are the prospects for North-South summit talks, for North-South economic cooperation, and for the issue of mutual visits of separated families?

[Han] The North Korean nuclear issue is a very important issue related not only to existence of the Korean people but also to the overall stability of Northeast Asia. Therefore, our government has no other way than to continuously maintain its position of linking the nuclear issue with the development of North-South relations. If North Korea complies with the IAEA's regulations and sincerely accepts mutual inspections according to the result of the second- phase of U.S.-North Korea talks, we will actively make efforts to develop overall North-South relations, including economic cooperation.

[Kim] When U.S. President Clinton visited the ROK, he proposed the formation of the New Pacific Community. What is our role in this, and what is your view on how the issue of the representative rights of China, Taiwan, and Hong Kong to the New Pacific Community will be resolved?

[Han] The New Pacific Community has the same purpose with the comprehensive Asian-Pacific cooperative body which we expounded in our new diplomacy.

Both the ROK and the United States will cooperate for the achievement of the common goals. As for the issue of three Chinas, we have had the experience of realizing the participation of three Chinas in the Asia-Pacific Economic Community [APEC] in 1991 through mediation when our nation was the chairing state of APEC. Our nation, if necessary, will extend support for this.

[Kim] When do you think President Kim Yong-sam's visit to the United States will be realized and is there any plan for the president's visit to Russia and Japan?

[Han] When President Clinton visited the ROK, he invited President Kim to visit to the United States and President Kim accepted it with pleasure. However, no concrete plan has been established. When I visited Russia last June, President Yeltsin formally handed over to me the official invitation to President Kim expressing his hope that President Kim will visit Russia within this year. Therefore, President Kim's visit to Russia will be pushed for at the appropriate time by taking all conditions into consideration. Both the ROK and Japan share the view that there is a need for top leaders of the two countries to meet each other at an early date.

Japanese Journalist Indicted for Secrets Violation

SK2207083193 Seoul YONHAP in English 0825 GMT 22 Jul 93

[Text] Seoul, July 22 (YONHAP)—The Seoul District Prosecutor's Office indicted Masato Shinohara, Seoul bureau chief of Japan's Fuji Television, charging him with violating the military secrets protection law, on Thursday.

"We continued our investigation of Shinohara, but we found no further evidence of criminal acts except the ones we had when he was arrested," a spokesman said.

Shinohara was arrested on charges of receiving 50 military documents from Navy Lt. Cmdr. Ko Yong-chol from August 1990 to December 1992 and handing 27 of them to the Army and Air Force attaches at the Japanese Embassy.

Unification Minister Returns From U.S. Visit

SK1907083593 Seoul YONHAP in English 0759 GMT 19 Jul 93

[Text] Seoul, July 19 (YONHAP)—Deputy Prime Minister Han Wan-sang returned Monday afternoon from a seven-day trip to the United States.

Han, who is also unification minister, met with Undersecretary of State Peter Tarnoff, Ambassador-Designate to Seoul James Laney and other U.S. Government and legislature officials and exchanged views on measures over North Korea's nuclear development.

He gave a keynote speech at the Ninth American Region Symposium on the Korean question in Washington on July 16-17 and explained the government's unification policy. He listened to the opinions of Korean-American scholars on the unification problem.

Presidential Aides Critical of Hyundai Management

SK2207021393 Seoul THE KOREA TIMES in English 22 Jul 93 p 2

[Text] Chongwadae [presidential offices] is grumbling about Hyundai, especially its owners and managers. It would be safe to say that its complaint verges on an expression of hatred.

Top presidential aides complained yesterday that Hyundai owners have not done their best to resolve the critical labor dispute. They have passed the burden onto the government, forcing it to intervene. "Condemnation of Hyundai managers' alleged insincerity was strong here at Chongwadae," said a senior official at the time when Hyundai managers and workers almost struck a deal to end the 36-day strike at the Hyundai Motor Co. yesterday morning.

The government Tuesday invoked its right to compulsory arbitration and hoped for a compromise which might be worked out at the eleventh hour.

He added, "Frankly speaking, we do not think much of Hyundai founder-honorary chairman Chong Chu-yong's overseas trip at the peak of the labor unrest."

Chong returned home Tuesday, timed with the invocation of the government right to arbitrate between labor and management.

The aide said, "At the critical point when the labor unrest was rocking the national economy, his overseas trip cannot be seen as a responsible act."

Chongwadae believes that the labor conflict may not have been prolonged if Chong had not spared efforts to resolve it.

Another senior presidential aide has talked about the rumor on the stock market that Chong was winking at the labor unrest in a scheme to force President Kim Yong-sam to ask him for "help."

Kim and Chong were bitter rivals during the 1992 presidential election. Since his inauguration, President Kim has turned a cold shoulder to Chong.

The presidential office also takes note of the fact that labor disputes take place "habitually" every year. It believes that there is a problem in Hyundai's labor policy and a fundamental change has to be made.

The senior Chongwadae official revealed," "We believe something has to be done. And in-depth studies are under way."

He added, "The government has at last intervened in the Hyundai dispute. Now we will let Hyundai know our view."

Asked to elaborate on what action is in store, he said, "It may include legal steps, friendly advice or administrative measures."

What made the Kim administration angry was the prolonged Hyundai labor dispute's effect on the government's ambitious five-year plan for a new economic take-off.

President Kim will reportedly take stern measures against illegalities by either management or labor.

A police force was sent to a Hyundai weapon-maker in Changwon, Kyongangnam-to, to arrest five leading unionists.

Presidential spokesman Yi Kyong-chae said, "Even after the labor unrest is resolved, the government will take stern measures against illegal acts instead of papering over differences between management and labor unlike in the past."

Union To Strike Again 23, 24 Jul

SK2207103593 Seoul YONHAP in English 1010 GMT 22 Jul 93

[Text] Ulsan, July 22 (YONHAP)—Union leaders of the Hyundai Heavy Industries Co., better known as Hyundai Shipyard, turned hawkish on Thursday denouncing the management for the "lack of sincerity" in negotiations with the labor and declaring they would not recognize the government right to intervene.

In a press conference, the union said they would stage a general strike on Friday and Saturday [23 and 24 July] to serve a warning to the management that "belittles" the union.

A union leader complained that despite its earlier promise that the company president and four senior executives would attend a Thursday meeting with the labor, only two executives showed up who, he said, displayed an "irresponsible" attitude by saying there needed no further talks with the union. [sentence as received]

The meeting was supposed to discuss non-wage matters such as the issues of reinstating dismissed workers and of relocating the union office.

"If the management continues to be insincere, we will ask the government to take legal measures against the use of company workers in illegal electioneering for group Honorary Chairman Chong Chu-yong during last year's presidential election," the union leader said.

He asserted that the union had secured statements by many workers mobilized in the election and many other material evidences substantiating such illegal electioneering.

The union leader also said that if the police were thrown into Hyundai Precision Industries Co. or Hyundai Motor Co., the union would respond to it with coordinated strikes by the member unions of Hyunchongnyon or the Federation of Hyundai Group Company Unions.

"Even if the government invokes the emergency right to intervene, we will not recognize it because it is a bad legal system designed to undermine the three basic labor rights quaranteed by the constitution," he said.

2,500 Police Reinforcements Sent

SK2207120693 Seoul YONHAP in English 1143 GMT 22 Jul 93

[Text] Ulsan, July 22 (YONHAP)—Tension was building up in this industrial city Thursday evening as labor unions of a majority of the dispute-stricken Hyundai firms here plan to stage another round of general strikes on Friday.

The unions of six of the nine firms refused to accept additional offers produced by the management and resolved to strike for at least one day, Friday. The six are Heavy Industries, Pipe, Wood Industrial, Electrical Engineering, Mipo Dockyard and Korea Flange Companies.

The new management offers included a 4.7 percent basic pay hike and achievement bonuses equivalent to 100 to 150 percent of a month's wage depending on companies' business performance.

Meanwhile, faced with renewed general strikes, the police were bringing 2,500 more policemen to Ulsan to reinforce the 8,000 police already deployed here. From Seoul a senior official from the Supreme Public Prosecutor's Office flew into Taegu on Thursday to urge the early arrest of the six "outside" union leaders suspected of having pulled strings behind the drawn-out disputes against law.

Former Military Leaders Accuse No, Chon of 'Rebellion'

SK1907083993 Seoul YONHAP in English 0807 GMT 19 Jul 93

[Text] Seoul, July 19 (YONHAP)—Former Presidents Chon Tu-hwan and No Tae-u were formally accused of rebellion and mutiny for actions in 1979 in a complaint filed with the Supreme Public Prosecutor's Office by a group of former military leaders on Monday.

Chon, No and 32 other leaders of the "Dec. 12 coup d'etat-like incident" were named in the charges, filed against them by "the committee for judicial actions against the Dec. 12 incident," which comprises former Army Chief of Staff Chong Sung-hwa and 21 other former senior military officers.

The committee issued a "statement to the nation" at a downtown hotel, releasing the text of its accusation and the names of both the accusers and the accused.

"The Kim Yong-sam government clearly defined the Dec. 12 incident as 'a coup d'etat-like incident by lower ranking officers who revolted against their seniors,' so it is natural for the leaders of the rebellion to be punished according to the law," a committee spokesman said.

Following the assassination of President Pak Chong-hui on Oct. 26, 1979, Gen. Chon, then-commander of the Defense Security Command, arrested then Martial Law Commander Gen. Chong Sung-hwa on Dec. 12 in his capacity as commander of the joint investigation headquarters.

President Determined To Open Stock Markets Further

SK2107022793 Seoul THE KOREA TIMES in English 21 Jul 93 p 2

[Text] President Kim Yong-sam is strongly determined to further open domestic stock markets for foreign investors and will chart policy in that direction, a ranking Chongwadae [presidential offices] official said yesterday.

Presidential spokesman Yi Kyong-chae quoted Kim as saying, "We have been an obstinate isolationist. And younger people advocate isolationism."

The spokesman noted that the presidential remarks can be construed as an expression of his firm will to liberalize financial markets.

Kim made the remarks in response to the view that the government should lift the limitation on stock investment by foreign investors.

Chang Kyu-chin, president of the Hanshin Securities Co., pointed out that the stock investment ceiling system bars good foreign funds from coming into local markets. During a breakfast meeting which Kim hosted for 24 leading financial figures, Chang said that a total of $2 billion was invested in domestic stock market by foreign investors last year and the investment in the first half of this year amounted to $2.7 billion.

Chang said, "In the beginning, all were concerned about the foreign funds in fear that they would be speculative investment seeking short-term profits. But they were long-sighted investments. For the stock market, the investments were good funds, which, in a sense, contributed to the revitalization of our stock markets."

The President called upon bankers to combat such financial irregularities as influence-peddling for loans and favoritism in appointments and promotions.

He said, "Banks have to squarely reject pressure for bank loans as well as favoritism in appointments."

The Chief Executive told them that banks should do away with the so-called "compensatory deposits," mandatory deposit required from customers in return for loans, according to spokesman Yi.

The bankers were also told that banks have to depart from the long-standing practice of depending much on real estate collateral and serve the public by lowering their threshold.

Kim reaffirmed that his administration will not poke its nose into personnel management in financial circles.

The government has given banks a free hand to elect their presidents on their own, a drastic reform measure welcomed by financial circles. Candidates for bank presidents are recommended by nine-member self-governing committees.

However, he said that it is necessary for the Office of Bank Supervision to have the right to disapprove the election.

"This is not the government's meddling in personnel management. But I think it necessary to guarantee fairness," he said.

He reiterated his determination to push ahead with his reform drive consistently during his five-year term, saying, "corruption has to be uprooted and the nation and the economy will be saved."

Seoul Seeks Exception to GATT Import-Liberalization

SK2107040493 Seoul YONHAP in English 0251 GMT 21 Jul 93

[Text] Seoul, July 21 (YONHAP)—The government is seeking a moratorium on, or an exception to, the mandatory second phase of import liberalization of, chiefly, farm products slated for 1995 to 1997 under the General Agreement on Tariffs and Trade (GATT), according to the Agriculture, Forestry and Fisheries Ministry.

Korea graduated from GATT's balance of payments clause (Article 18-B), permitting developing countries with foreign exchange shortages (unfavorable balances of payments) to restrict imports, and in 1992 began implementing the first phase of an import liberalization program to be completed by the end of 1994.

For the second phase, the government must submit a plan to GATT by March next year.

Covered by the second phase are 150 items, including 142 items of farm produce, and among these farm products are such staples of Korean farmers as beef, pork, chicken, milk and other dairy products, red pepper, garlic, onion, sesame and citrus fruit.

Import liberalization of these items would be a fatal blow to farmers, and it is almost out of the question that in the coming two years farmers will make their products compete successfully with imports, ministry officials say.

Under the circumstances, the ministry is seeking to cancel Korea's graduation from GATT's bop clause in 1990. The officials say Korea's graduation from the clause was due to its favorable balance of payments for the fourth straight year until 1989 and that this then turned unfavorable again in 1990 and remained so in 1991 and 1992, hard evidence that Korea may be qualified to return to the clause.

But some people in government are pessimistic about Korea's return to the clause, saying the economy is not in recession by international standards and the United States and other advanced countries are pressing for broader market opening.

Moreover, Korea is not a developing country as defined by the bop clause and should it fail to implement GATT-mandated import liberalization it would face trade friction with its major trade partners.

If the return to the clause is impossible, the government should ask GATT to grant a five-year moratorium on the second phase of import liberalization, extending the liberalization time frame from 1995-1997 to 2000-2002, the ministry says.

In the worst case, the government should try to return to GATT Article 11-2, a clause stipulating that countries controlling domestic production may control imports, it adds.

'Sensitive Atmosphere' in Military Noted

SK2207095993 Seoul TONG-A ILBO in Korean 20 Jul 93 p 2

[Article by Kim Chae-hong: "A Sensitive Atmosphere in the Military Regarding Reform"]

[Text] There is a sensitive [mimyohan] atmosphere inside and outside the military regarding reforms in the armed forces. At the beginning, when it was revealed that Kwon Yong-ho, brother of Defense Minister Kwon Yong-hae, received 50 million won from an arms supplier's agent, the audit and inspection authorities tried not to make an issue of it. Former defense ministers and former Navy and Air Force chief of staff, whom the Board of Audit and Inspection [BAI] accused and referred to the prosecutor's office for alleged involvement in the Yulgok project irregularities, were arrested immediately. Mr. Chong Ui-sung, representative of Haksan Industrial Co., who gave the money to Mr. Kwon, was also arrested on charges of lobbying and bribing the military. Observers suspect that Mr. Chong Ui-sung gave Mr. Kwon the money as part of an illegal lobbying to influence the military.

The public opinion notes that the BAI and the prosecutor's office need to clarify how they investigated Mr. Kwon's alleged receipt of bribery, whether the bribery, if any, found its way to Minister Kwon's hands, and that they explain how they concluded that the case was not found questionable.

It was within this atmosphere that Maj. Gen. Yi Chung-sok, former chief of operations of the Joint Chiefs of Staff, complained at a dinner meeting about the military reforms and criticized the military leadership. This revealed to the public the sensitive atmoshere prevailing in the military.

Maj. Gen. Yi is reported to have complained, "Military reforms disrupt discipline. The military leadership is incapable of defending the military properly while the government is mistreating the military."

The lax discipline in the military mentioned by Maj. Gen. Yi includes the complaints made by the colonels and lieutenant colonels whom the BAI referred to the prosecution authorities for reprimand as a result of its special investigation of the Yulgok case. These colonels and lieutenant colonels complain that those government officials in charge of the audit and inspection operations sometimes overlook the malpractice committed by the big shots who pushed ahead the Yulgok project and are strongly suspected of being involved in irregularities, whereas they attempt to reprimand those lower-level working officials who committed minor mistakes.

There are speculations in the military that a high-ranking government official tried to protect Gen. Cho Nam-pung, former commander of the First ROK Field Army, but gave up under pressure. The BAI summoned and investigated former Commander Cho and detected that he allegedly received a bribe amounting to 200 to 300 million won. But the BAI did not conclude the case fairly compared to other cases of those suspected of being involved in irregularities.

The sensitive atmosphere existing within the military is confusing and it is complicated by the just criticism of the presence of favoritism in the reform in the military and the repulsive remarks made by those who complain of being deprived of their vested rights.

Maj. Gen. Yi's recent expression of discontent is also interpreted differently. People close to him say that he usually deplored the military reform and the "condemnation of the military" and that he said as a soldier he should say so.

However, the participants in the dinner party attended by generals of the Joint Chiefs of Staff and a majority of ordinary generals consider the incident to be a counterattack by a member of the old establishment, because he was a leading member of the Hanahoe Association.

When the Chongwadae presidential office rejected Defense Minister Kwon's resignation, it said that it would not "tolerate old liners who oppose reform."

However, it is generally believed that the counterattack by the Hanahoe members would bring about adverse effects because support for them in and out of the military is minimal at present.

People who are well versed with the military point out that if the military feels disparaged by political circles and people in general, this will offer the Hanahoe members a pretext to reemerge.

Those people say that if the military desperately needs a force that can defend it from external pressure, it may yearn for the emergence of such groups as Hanahoe.

However, such a possibility is slim, because of the on-going military reform.

This is because a majority of people in the military say: There were a few instances of unfair military reforms. However, when the new government's military leadership led by Minister Kwon is compared to the Hanahoe military caste of the old establishment, one can understand why priority must be given to eradicating the old establishment.

A retired general has said: People in the military generally consider Minister Kwon to be the "best alternative" in reforming the minority rule of the past in the military, even though it is difficult for him, who once served as vice defense minister, to insist that he committed no irregularities in carrying out the Yulgok Project.

Other people say that Minister Kwon and other major reformists in the military may become "victims" to their own military reform measure. Still, the complex feeling in the military is not a powerful counterattack but the expression of discontent over reforms affected by favoritism. Therefore, such a feeling will be easily be soothed.

Burma

NCGUB Issues Statement on Aung San Suu Kyi

BK2107124593 Oslo Democratic Voice of Burma in Burmese 1430 GMT 20 Jul 93

[Statement of the National Coalition Government of the Union of Burma [NCGUB] issued on 20 July by Justice Minister U Thein U of the NCGUB in connection with the 4th anniversary of the illegal detention of Daw Aung San Suu Kyi by the State Law and Order Restoration Council]

[Text] The State Law and Order Restoration Council's [SLORC] illegal detention of Daw Aung San Suu Kyi, who won the Nobel prize in 1991 [words indistinct] and who is also the democratic leader of the Burmese people, will complete its fourth year on 20 July. She has been under house arrest without being formally charged. It is proof beyond all doubt that there are no democratic and basic human rights in Burma under the SLORC.

We can also clearly see that the SLORC has ignored the pressure of the international community, including the United Nations, to release Daw Aung Suu Kyi and other political prisoners, and to recognize, honor, and respect the desires of the Burmese people—which were being expressed during the 1988 uprising—and the result of the May 1990 general election. SLORC has also ignored the will of the internal democratic forces.

However, the world knows that, even under house arrest, Daw Aung Suu Kyi continues to fight with zeal, perseverance, diligence, and decisiveness for the fundamental human rights of the Burmese people and for democracy and peace.

Our NCGUB, which is also struggling with all the national races for the emergence of a genuine democratic government in Burma, has demanded four things from the SLORC dictators. They are:

1. The unconditional release of Daw Aung San Suu Kyi and other political prisoners;

2. The complete halt to all kinds of violations of the fundamental human and democratic rights of all the national races and the people;

3. To recognize, honor, and respect the desires of the Burmese people and the result of the 1990 general election;

4. To expeditiously transfer power to the elected people's representatives and for the army to return to its barracks, in accordance with its promise made to the world community;

To fully implement the aforementioned demands, our NCGUB earnestly urges the students, monks, and people in the country—who are yearning for genuine democracy and peace—the exiled Burmese, the United Nations, and the democratic governments of the world, to work together with the NCGUB.

Workers, Public Service Personnel Discuss Constitution

BK2107155393 Rangoon Radio Burma in Burmese 1330 GMT 21 Jul 93

[Text] Groups of National Convention delegates representing workers and public service personnel continued their panel discussion on formulating the basic principles of state suitable to be included in the constitution this morning and in the afternoon in the respective meeting hall at the Kyaikkasan Grounds, Yangon [Rangoon].

A group of National Convention delegates representing workers continued its panel discussion on formulating the basic principles of state suitable to be included in the constitution at 0900 this morning in Meeting Hall No. 6. U Tin U from Meiktila Township, Mandalay Division chaired the meeting, while U Khin Maung Win acted as secretary of the meeting. After an explanation on the prescription of the fundamental principles of state by the alternate chairman, U Bo Thein alias Taungdwin Bo Thein from Keng Tung, East Shan State; U Than Myint from South Dagon Myothit, Yangon Division; and U Maung Maung Than from Kyangin Township, Irrawaddy division read and presented the report on suggestions compiled by the group of delegates representing workers. They will also read the report on suggestions compiled by the group of delegates representing workers at the plenary session. U Kyaw Win Tun from Kyaukpadaung Township, Mandalay Division; and U Kyi Myint from Thayawaddy Township, Pegu Division were appointed as the reserves to read the report compiled by the group. The meeting ended at 1000 in the morning following a closing speech by the chairman.

At 1000 this morning in Meeting Hall No. 8, a group of National Convention delegates representing public service personnel continued its panel discussion on formulating the basic principles of state suitable to be included in the constitution .

Lieutenant Colonel Thaik Tun from the Ministry of Defense chaired the meeting, while U Hla Win acted as secretary of the meeting. After an explanation on the prescription of the fundamental principles of state by the alternate chairman, the meeting was adjourned at 1030 in order to hold discussions between the panel of chairmen of the group of delegates representing public service personnel and the delegates who presented the reports. The discussions between the panel of chairmen and the delegates who presented the reports continued at 1300. The meeting ended in the afternoon following the formation of a group to compile the reports on suggestions.

BBC Interviews Rebel Foreign Minister

BK2007120993 London BBC in Burmese to Burma 1345 GMT 19 Jul 93

[Telephone interview with U Peter Lin Pen, minister of foreign affairs of the National Coalition Government of the Union of Burma, by BBC Correspondent U Aung Myint Tun; in London on 19 July—live or recorded]

[Text] [correspondent] U Peter Lin Pen, we have learned that the National Coalition Government of the Union of Burma [NCGUB] has issued a declaration concerning Daw Aung San Suu Kyi. What are the contents of the declaration?

[Pen] Briefly, in the declaration the NCGUB demands the unconditional release of Daw Aung San Suu Kyi from illegal detention for the people who are striving for democracy. It is also stated that only then will our leader, Daw Aung San Suu Kyi, will be able to work energetically for democracy, peace, and social matters.

[Correspondent] As you know, today is 19 July—Martyrs' Day. Would you like to comment on Martyrs' Day?

[Pen] I especially want to say that members of the Defense Services are needed to defend the decisions of the representatives elected by the people and of the parliament with their lives as stated by General Aung San. They also should not forget Gen. Aung San's remark: Should the members of the Defense Services want to engage in politics, they may do so after their retirement. Otherwise they will become pure fascists.

[Correspondent] We understand that you have arrived in London but we do not know the purpose of your visit.

[Pen] The purpose of my visit to London is to strive at the UN General Assembly for the removal of the unofficial military government as a UN member and to ask the UN to handle representation of Burma at the UN until power is transferred to a legally elected civilian government.

[Correspondent] Thank you.

[Pen] Thank you.

Vessel Seized for Fishing in Restricted Zone

BK1907153793 Rangoon Radio Burma in Burmese 1330 GMT 19 Jul 93

[Text] At 1000 this morning at the Myanmar [Burma] Fisheries Enterprise's [MFE] Sinmin jetty, Brigadier General Maung Maung, minister of livestock breeding and fisheries, inspected a fishing vessel that has been seized by the Navy. He also gave the necessary instructions to responsible personnel.

When the minister and his party arrived at the jetty this morning, they were welcomed by U Sein Hmat, managing director of the MFE; U Than Tun, director of the Department of Fisheries; and responsible personnel. They later inspected the JV-004, the fishing vessel seized by the Navy.

The seizure of the vessel occurred as follows: While naval patrol boat No. 415 was carrying out its operations at 0930 on 3 July, it spotted the JV-004, belonging to the General Fisheries Company Limited, fishing 27 miles southeast of the Bassein Lighthouse at latitude 15 degrees, 40 minutes north and longitude 94 degrees, 38 minutes east. It conducted a search.

The vessel was later seized for being six miles inside the parallel [Achaygan] line, for entering a restricted zone to fish, for using a smaller net than stated in the license, and for carrying three unauthorized fishing nets. The General Fisheries Company Limited is a joint venture between the MFE and TBE [expansion not given] company.

In order to take legal action against the violators under the existing law, the Navy transferred the vessel together with 20 Thai nationals, five Myanmar nationals, 232 viss [510.40 kg] of all sorts of prawns and shrimps, and 72 viss [158.40 kg] of all sorts of fish to the Department of Fisheries on 18 July. The Department of Fisheries is preparing to take effective legal action against the violators under the Myanmar Marine and Fisheries Law.

Brunei, Malaysia & Singapore

Malaysia

Philippine Foreign Minister Arrives 21 Jul

BK2207042493 Kuala Lumpur BERNAMA in English 0312 GMT 22 Jul 93

[Text] Kuala Lumpur, July 21 (OANA-BERNAMA)—Philippine Foreign Secretary Roberto R. Romulo arrived here Wednesday for a two-day official visit aimed at enhancing bilateral relations with Malaysia.

Romulo and his wife were met on arrival at the Kuala Lumpur International Airport in Subang by the Foreign Ministry Under-secretary for Southeast Asia and South Pacific Division Rastam Mohamed Isa and the Philippine ambassador to Malaysia, Alberto A. Encomienda.

Romulo will call on Foreign Minister Abdullah Ahmad Badawi at his office Friday. Both ministers will sign a memorandum of understanding to establish a joint commission.

According to officials, Abdullah and Romulo would also discuss the proposed Asia Pacific Economic Cooperation (APEC) summit in Seattle in November which Manila was reported to be keen to attend.

Daily Hails Results of Mahathir-Suharto Meeting

BK2107104393 Kuala Lumpur NEW STRAITS TIMES in English 20 Jul 93 p 10

[Editorial: "Bound by History"]

[Text] The meeting between President Suharto of Indonesia and Prime Minister Datuk Sri Dr. Mahathir Mohamed underlies a centuries-old relationship between Indonesia and Malaysia, which together with the Indian subcontinent, the Arab Peninsula, and China formed the cradle for the thriving Asian market of the 18th century.

Already in existence then was a political system that dominated the trade routes and a system of management of economic resources that saw a fair exchange of such items as spices, porcelain, brassware, cloth. It was only with the signing of the Anglo-Dutch Treaty which carved the region into an English and a Dutch sphere of influence and the collapse of the Chinese market that a shift took place from an Asian-centric to a European-centric market economy. That marked the beginning of a century-old grip of Western dominance on trade in this region, but it still does not obliterate the fact that relations between nations in this part of the region had been woven a century before that.

The concept of the northern growth triangle, for example, is said to be the revival of the Aheh-Perak-Kedah triangle and the southern triangle a reminder of Riau, Palembang, and Johor. It is not just the geopolitical ties which bind. The cross-migration of people within the region and between the two nations have resulted in common elements in culture and heritage.

Historically and culturally, the two nations are intertwined. Geographically, the two countries are separated by the sea, but the waters cannot separate them. There have been fallacious reports of uneasy relations between President Suharto and Dr. Mahathir, but as the outcome of the meeting between the two leaders shows, there is a great degree of good will which speaks well for continuing good relations between the two countries. The two leaders resolved that the issue of the overlapping claims over the Ligitan and Sipadan islands, disputed since 1969, for example, would be based on concrete principles supported by relevant documents rather than through a show of force, emotions, or third-party intervention.

Indonesia also expressed support for the East Asia Economic Caucus (EAEC) with both countries agreeing to look into its actual operational structure. Tradewise, the volume of trade between the two countries has been increasing; Indonesian investments in Malaysia now total over U.S. $1 billion, while Malaysian investments in Indonesia have exceeded U.S. $150 million. The crossflow of investments is expected to rise with the evolution of the ASEAN Free Trade Area (AFTA) and the opportunities given to the private sector by the two countries. The visit has also given renewed impetus for greater cooperation in tourism promotion with increased flights and ferry services between the two nations. Increased cooperation in areas such as banking, aerospace, and automobile industries was achieved.

Sir John Robert Seeley observed in the growth of British policy that "history is past politics and past politics is present history." Solidarity and cooperation from leaders in the region will help the creation of a new era in the region's history as the Asia-Pacific region stands on the threshold of an economic renaissance reminiscent of its glorious days in the 18th and 19th centuries, a past where the Asian region dominated trade without interference from the West.

PRC Moves for Healthy Economic Growth Rate Welcomed

BK2107115093 Kuala Lumpur NEW STRAITS TIMES in English 20 Jul 93 p 16

[Text] Malaysia welcomes any move by the Chinese authorities to maintain a healthy and sustainable growth rate in China.

Deputy International Trade and Industry Minister Chua Jui Meng said this is to ensure that the Chinese economy does not overheat.

He was commenting on a news report that China may announce new foreign investment regulations soon.

"We hope the new policy will not only stop the economy from overheating but also bring down inflation," he added.

He was speaking to reporters after officiating at a two-day conference on "Capitalising on Business and Investment Opportunities in China" in Kuala Lumpur yesterday.

He said the new policies are not expected to have a significant impact on Malaysia.

Earlier in his speech, he said the bilateral trade between Malaysia and China stood at RM [Malaysian ringgit] 4.44 billion last year, making China the country's ninth largest trading partner.

This is a 350 percent increase over the RM 1 billion in bilateral trade recorded in 1985.

In the first four months this year, bilateral trade between both countries stood at RM 1.57 billion, a 20 percent increase over the RM 1.32 billion posted in the corresponding period last year.

ASEAN Private Sector Urged To Advance EAEC Concept

BK2107103993 Kuala Lumpur NEW STRAITS TIMES in English 20 Jul 93 p 16

[By Noorzita Samad]

[Text] The private sector in ASEAN should take up the idea of the East Asia Economic Caucus (EAEC) as its own cause to realise the benefits of greater regional integration.

Finance Minister Datuk Sri Anwar Ibrahim said if the government and private sector of East Asian countries could act in concert, they could surmount the resistance towards EAEC.

"It takes more than mere vision to unleash the fullest potential of East Asia," he said when addressing the ASEAN Institute's symposium on "Liberalisation and Rationalisation of Fiscal Policies" in Kuala Lumpur last night.

Anwar said further progress in ASEAN and East Asia could only be delayed by "our own tardiness" in establishing the necessary framework and infrastructure for regional integration.

"One cannot overemphasise the need for effective government and private sector collaboration on an ASEAN scale ... The same applies in the case of EAEC."

For EAEC and the ASEAN Free Trade Area (AFTA) to materialise, the minister added, the respective governments must clear all politically-related hindrances.

The private sector, on the other hand, must convince its members to transcend narrow sectoral interests in favour of liberal and transparent policies which would promote overall growth and prosperity in each country as well as throughout the region.

Anwar said since the ASEAN private sector was already a cohesive group, it should form the nucleus to advance the EAEC concept among its counterparts throughout the entire East Asian region.

The combined economic strength of ASEAN, he added had grown tremendously over the years even when the group did not have an economic agenda.

Anwar said ASEAN and East Asian countries must strive for closer cooperation as "it is now evident that we can no longer look up to the big powers for leadership."

Each of them (the big powers) was so deep in its own problems to consider the interests of other people.

The slow progress of the Uruguay Round trade negotiations was a clear indication that ASEAN and East Asian countries had to construct their own mechanism and avenues for the development of trade.

Anwar said while the speedy conclusion of the General Agreement on Tariffs and Trade (GATT) was critical to the region, ASEAN could not "merely sit and wait for things to happen beyond our control."

In fact, he added, ASEAN was now in a position to decide on many matters competently.

The minister said ASEAN must progressively reduce its dependence on its traditional industrial trading partners in the West as the structure of global economy had undergone a major transformation.

"Not only are we less welcome in their markets now but also their prospects are so uncertain that our tenacious reliance on them would be detrimental to our long-term interests."

Two Former Communist Leaders Refuse To Return

BK2007130493 Singapore THE SUNDAY TIMES in English 18 Jul 93 p 19

[By Ping Lin]

[Text] Kuala Lumpur—Former Communist Party of Malaya [CPM] leaders Abdullah C.D. and Rashid Maidin have decided not return to Malaysia, according to Home Affairs Minister Datuk Megat Junid Megat Ayob. He told newsmen in Teluk Intan, Perak, that the two prominent Malay communist leaders recognized Malaysia as their home country, but they refused to return to live there.

"They also refused to return here as tourists," he said.

Datuk Megat did not elaborate on why the two CPM leaders declined to return home. He added that CPM secretary-general Chin Ping had also indicated that he would not want to return to Malaysia.

At the press conference, Datuk Megat said that the government allowed Chinese citizens to come to Malaysia to do business or to visit as tourists. He said the government had not rejected any of their applications for entry here.

On the relations between Chinese citizens and Malaysian Chinese, he said that the ties were not close. He said this was because the Chinese from mainland China came here either as tourists or to do business for a certain period and return to their country.

Illegal Immigrants Drown Swimming Ashore

BK2107073993 Kuala Lumpur BERNAMA in English 0438 GMT 21 Jul 93

[Text] Kuala Lumpur, July 21 (OANA—BERNAMA)—At least 30 Indonesian immigrants drowned and 40 others were missing when they and about 50 others were forced to swim ashore off Morib, a coastal town [figure indistinct] km southwest of here early Tuesday.

They were from a group of 100 to 120 who had tried to enter the country illegally on board the Indonesian-registered Xara Damai from Dumai in Sumatera after paying 600,000 rupiah (about 300 ringgit) each for the trip.

They were said to have been forced by the boat skipper to swim ashore when the boat beached on a sand-bar about one km from the coast.

The district police chief superintendent Suleiman Mahmuh said that the bodies of 20 women and eight men, aged between 17 and 45, and two children, believed to be aged eight and two, had been recovered.

Suleiman said the search for the bodies was called off at 6 pm Tuesday because of bad weather.

The search party comprising police and Marine Department officers resumed the search Wednesday.

He said that so far, 49 people, including 30 women aged between 17 and 45 had been rescued and were being detained at the police station here to be handed over to the Immigration Department.

He said the Indonesian Embassy officials had met him for details of the incident.

Suleiman said that according to the survivors, the boat left Dumai at 11 pm Monday and the skipper ordered them to get down when the boat beached on the sand-bar at about 3 am.

Many of the dead were said to have been trapped in the water between the sand-bars and drowned after being ditched by the boat which headed back for Dumai, he said.

He added that several police field force members patrolling the area at the time came across six of the surviors on the beach and informed the police station here about 6 am.

On receiving the information, a rescue operation was mounted with the help of the Marine Police and the Maritime Search and Rescue Coordination Centre (MRCC)

He said the first nine bodies were found along the beach at about 8.30 am. None of the group carried identification papers, he added.

He said the Morib beach had been identified as a landing area for illegal immigrants.

Singapore

Joint Naval Exercise With Malaysia Begins 20 Jul

BK2007150693 Singapore Singapore Broadcasting Corporation in English 1400 GMT 20 Jul 93

[Text] The Royal Malaysian Navy and the Republic of Singapore Navy are holding a nine-day exercise at the Brani Naval Base. Codenamed Exercise Malapura VIII/93 is the eighth in the series of joint navy exercises between the two countries. This year's exercise will for the first tackle the question of the right for neutrality. This will mean a more complex and realistic (?rules) covering mutual shipping in territorial waters. 320 navy men are taking part in the exercise.

Cambodia

Khieu Samphan Denounces U.S. Pressure, 'Ugly Face'

BK2207011893 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 21 Jul 93

["Appeal by His Excellency Khieu Samphan, chairman of the Party of Democratic Kampuchea, Calling on Our Cambodian Nation and People To Continue To Unite and Provide Assistance to the National Reconciliation Plan of Prince Norodom Sihanouk, Head of State, and To Overcome the Opposition by the United States and Allies"; dated 21 July—recorded]

[Text] Greetings to the clergy and compatriots in and outside the country and in Phnom Penh:

At present the United States is coming out to openly oppose the national reconciliation plan of His Royal Highness [HRH] Prince Norodom Sihanouk, head of state, father of the nation, and father of national reconciliation. The statement by the prince dated 19 July 1993 is a document clearly showing this ugly face of the United States. This is further clear evidence showing the strategy of the United States and other allies, who oppose the four-party national reconciliation and the October 1991 Paris agreement, to trample and alter the Paris agreement to destroy Cambodia's peace and independence.

Before the Paris agreement, the allies opposed the quadripartite national reconciliation; after the Paris agreement, these allies opposed the quadripartite national reconciliation. After the election organized by UNTAC [UN Transitional Authority in Cambodia] itself, allies in and outside UNTAC still oppose the implementation of the results of UNTAC-organized election. They also oppose FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], the winning party, playing its role. They continue to maintain Vietnamese aggressor forces and Vietnam's puppet regime and have made efforts to include two other parties into Vietnam's puppet regime and to isolate Democratic Kampuchea in order to destroy the latter.

At present, the United States and other allies have turned a blind eye to allow Vietnam and its puppets to persecute FUNCINPEC members and the Cambodian people. This is within the framework of the strategy of Vietnam and allies of lulling the top while completely destroying the bottom to preserve Vietnamese aggressor forces and the puppets, maintain the troops and police of Vietnam's puppets, and use Vietnamese aggressor forces and the troops and police of Vietnam's puppets to destroy Cambodian national forces so that Vietnam and allies exploit our nation and people and kill our Cambodian nation and people.

Respected and beloved compatriots: Our entire nation and people need national reconciliation in accordance with the national reconciliation plan of Prince Norodom

Sihanouk, head of state, father of the nation, and father of national reconciliation. Vietnam and its allies are intruders, who are trying to defeat the prince's national reconciliation plan.

Therefore, our nation and people in and outside the country and in Phnom Penh should continue to unite and support the prince's national reconciliation plan to defeat these intruders. The struggle of our nation and people against the Vietnamese aggressors over the past 13 years, like the struggle of our nation and people to implement the 23 October 1991 Paris agreement, has led to UNTAC-organized elections and successive victories for our national forces. There is plenty of evidence clearly showing that the forces of our nation and people, with the assistance of peace- and independence-loving countries and people the world over, have successively overcome the force of aggressors and the force splitting the national forces. This has defeated the Vietnamese aggressors and allies in their strategies, one after another.

So, the Cambodian people have experienced and won successive victories over armed aggressive forces and all kinds of maneuvers of Vietnam and allies, including the use of money as a pressure force. Our people only need the money that allows Cambodia to have national reconciliation, independence, and peace. The Cambodian nation and people absolutely do not need the money that strengthens Vietnamese aggressor forces and the troops and police of Vietnam's puppets. We do not need the use of Vietnamese aggressor forces and troops and police of Vietnam's puppets to kill FUNCINPEC members and the Cambodian nation and people.

Finally, all of us would like to express profound thanks to peace- and justice-loving countries the world over, who persistently have been providing assistance to our Cambodian people's national cause. They are currently supporting Cambodia's quadripartite national reconciliation so that Cambodia and countries in Southeast Asia have peace. These countries are on the side of justice, peace, and national reconciliation. They need Cambodia to have national reconciliation so that Cambodia and Southeast Asia, and the world too, have peace.

For this reason we firmly believe that national reconciliation forces will certainly win; the forces that destroy national reconciliation will certainly and disgracefully be defeated.

VGNUFC Editorial Views Current Situation

BK2107064793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 20 Jul 93

[Editorial: "The True Nature of the Provisional Government, the Provisional Armed Forces, the Current Administration, and Finance. What are the Maneuvers of Vietnam and the Puppets, the Way They Take Care of Those at the Top, and the Way They Deal With Those Below?]

[Text] The Cambodian people have decades of experience, particularly since 1979 with the struggle against the Vietnamese aggressors' aggression and occupation of Cambodia, the implementation of the Paris agreement, the UNTAC [UN Transitional Authority in Cambodia] elections, post-UNTAC-election period, and after the establishment of the provisional government on 1 July. The Cambodian people, therefore, have a political view; they have constantly examined and followed the Cambodian situation.

The following is the political view of the Cambodian people toward the policies of the provisional government, the armed forces, the police, the administrative structure, the currency, and so on.

Dubious statements were recently made saying that the provisional government is the national government or that this is a new government. What is the purpose of these statements? The purpose is to dupe the Cambodian nation and people and the international community into believing that this is a national government, that this will be a stable government and a government that rules the country in an orderly and definitive manner. In truth, what is the meaning of the provisional government?

The truth is that the meaning of the provisional government is clear, namely:

1. It is a provisional government;

2. It is an interim government for preparing the transition from the State of Cambodia of Vietnam's puppets to the new government that won the election.

The fact is that after the election, the party that won should be in charge of organizing the government. A two-headed provisional government, however, has emerged because of dubious dealings of the Vietnamese aggressors, their puppets, and their allies.

3. This provisional government is established for a transitional period of three months. What should be done during this three-month period?

A national constitution should be drafted with genuine national character, one that states the nation is independent, sovereign, and unified; decides its destiny by itself; and has its territorial integrity.

4. During this period, a national government should be set up with internal national policies protecting the people's interests, reconciling the nation, and conducting a foreign policy of peace, independence, and neutrality.

Therefore, what are the tasks of the provisional government during the transitional period?

1. It should draft a national constitution;

2. It should set up all aspects of government and gradually transform what Vietnam has created since 1979 into national administration in accordance with the guidelines of the Prince Father, that is 45 percent coming from

the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]; 45 percent from the Cambodian People's Party [CPP], Vietnam's puppet; and 10 percent from the Buddhist Liberal Democratic Party [BLDP] and MOULINAKA [National Liberation Movement of Cambodia].

3. It should gradually organize from top to bottom state authority structures into national ones from what Vietnam created in 1979 in accordance with the 45 percent, 45 percent, and 10 percent principle.

4. It should gradually organize troops and police, which the Vietnamese aggressors have set up since 1979, into national troops starting from Phnom Penh and city wards, with 45 percent of FUNCINPEC, 45 percent of Vietnam's puppets, and 10 percent of the parties of His Excellency [H.E.] Son Sann and MOULINAKA.

Let us ask questions and discuss them. It is almost a month already. At what stage are the preparations to draft the constitution, to set up the government and state authority srtructures, and to organize troops and police since 1 July?

The people have noted that the remaining troops are those the Vietnamese aggressors set up in 1979. The people have noted that to this day, FUNCINPEC is only the top of only half of the head. It is like orchids being put on a desk for decoration while all state authority strutures at lower levels—administration, military, and police—have been maintained by Vietnam the way they have been set up since 1979. It is through this preservation of state authority structures and repressive and secret forces that Vietnam and its puppets have purged and carried on the persecution of FUNCINPEC and those who voted for FUNCINPEC. These people have been killed or forced to flee everywhere.

Vietnam and its puppets are implementing a principle of lulling the top and completely purging the bottom. The Vietnamese aggressors, their puppets, and allies want this situation to exist forever. They want to maintain a two-headed government forever. They want to implement forever a two-thirds principle in making decision in the assembly. They want to maintain forever those puppet troops and police set up by Vietnam since 1979. They want to preserve forever the state authority structures Vietnam set up in 1979.

Therefore, this is contrary to the meaning of a provisional government and of an interim government, and also contrary to the 45-45-10 percent principle given by the Prince Father. If this is the game people want to play forever, the nation and people will endlessly be ruined. If people keep playing this game, there will be no end to the problem. So, in the national constitution:

1. There should be no two-headed government; there should not be two prime ministers; and there should not be two ministers. A two-headed government can do nothing; no country does this.

2. There should be no two-party principle. Do not play this game forever; it is futile. In the world situation, no one does such a thing. In the transitional period, state authority should be organized from that of Vietnam's into a 45-45-10 percent interim state authority. Along with drafting the constitution and setting up the government, the offices of the prime minister and ministers should be organized. Work structures in accordance with ministries should be organized as well as state authority structures in provinces, districts, communes, and villages. Police and troops should also be organized in accordance with the 45-45-10 percent principle as set out by the Prince Father.

The issue of lack of personnel has been raised. This is not an issue. Vietnam wants to keep the alliance. There is no lack of personnel among Cambodians inside and outside of the country. Take the organization of state authority in villages and communes for instance. Let the people freely choose their own state authority officials. These will be better and more competent than the current puppet officials.

Vietnam's puppets are betraying the nation and are killing the people. The latter is on the nation's side protecting the people's interests. The interim provisional government should be organized at least in accordance with with the Prince Father's principle, that is 45 percent from FUNCINPEC, 45 percent from the puppets, and 10 percent from H.E. Son Sann. This should be for all villages, communes, districts, and provinces. It should be the same for ministries. There are plenty of competent people around, among FUNCINPEC members inside and outside of the country. They are more competent than puppets Hun Sen, Chea Sim, Heng Samrin, Tie Banh, Sin Sing, and company. Furthermore, these people are on the nation's side; they have not betrayed the nation or sold the nation like the puppets. There are plenty of persons among the people, who can assume state authority in provinces and districts. They are more knowledgeable than puppets Hun Sen, Heng Samrin, Chea Sim, Tie Banh, Sin Song, and puppet Hun Neng, Hun Sen's elder brother, governor of Kompong Cham Province; and far more knowledgeable than Heng Samkai, Heng Samrin's elder brother, governor of Svay Rieng Province, who knows nothing and only does what Vietnam dictates and who has been betraying and selling the nation for nearly 15 years.

Therefore, there is no shortage of good persons who are complete with clean and patriotic spirit, are decent, and have never been Vietnam's servants.

It is therefore not an issue of lack of personnel on the part of FUNCINPEC and H.E. Son Sann, nor is it because nobody wants to take up a position. Rather, it is because Vietnam and its puppets and allies are striving to block and oppose this. Vietnam needs to preserve, from top to bottom, the state authority it has set up since 1979. As for the puppets, they need to continue serving Vietnam as slaves in order to amass wealth earned from selling and plundering the nation and people. The fact is that they are still doing this to this day. They continue daily to kill FUNCINPEC members and people who voted for FUNCINPEC.

The finance issue has been raised saying that money should be asked from others. The question is this: What for? To end the state authority Vietnam set up in 1979? To set up a state authority in accordance with the 45-45-10 percent principle? To move toward a national government and national constitution? Or is this money for protecting the Vietnam puppet forces set up since 1979 by the Vietnam agressors in order to remain strong and continue to kill the Cambodian nation and people and FUNCINPEC? Or is it for assisting aggressor and occupying forces in Cambodia? The Cambodian people absolutely do not need this.

On this money issue, there is no shortage of it, as long as things are properly worked out and as long as there is a proper national government and proper national armed forces forces and police in accordance with the Prince Father's national reconciliation plan. As long as things are done this way, the entire Cambodian people will be glad to provide moral, political, and material assistance and support.

As for the overwhelming majority of peace- and justice-loving countries the world over, they also want this so that Cambodia has peace and national reconciliation, which will also ensure peace and security in the region. This will provide a guarantee for relationships and business in Cambodia and the region. These countries will therefore provide all kinds of assistance to the Cambodian people under a new and proper national government.

Furthermore, these countries have no goal to oppress or pressure the Cambodian nation and people. They will not come to cause rifts among the Cambodian nation and people like some bad elements who want to use money to buy this or that person in order to kill the Cambodian nation and people.

Look at the Vietnamese aggressors. They have committed aggression against Cambodia for over 14 years. They have never given a cent to the Cambodian people; they have only plundered the Cambodian nation and people. Since 1950, some major powers have said they had come to assist Cambodia. In fact, these major powers have come to split the Cambodian nation and people, to assist this group and destroy that group, to buy one group to stage a coup against others, and to constantly fuel war.

So, whose money is needed? And what for? For peace and national reconciliation or for splitting and killing the Cambodian nation and people further? In brief, the national current, that of the Cambodian people, and that of the international community—who need to have a national government, a national constitution, and a national army and police in accordance with the national reconciliation plan of the prince head of state—is moving step by step.

Old and new enemies of our nation and people, however, are constantly hindering this process. Therefore, from now to the end of September, our nation and people of all tendencies in and outside the country are required to further unite more vigorously to hold aloft the Prince Father's national reconciliation banner until achieving a national government, a national constitution, and a national army and police with proper national character in accordance with Prince Father's national reconciliation plan.

The people do know and understand that this provisional government remains a government of the Vietnamese aggressors occupying Cambodia. The people cannot accept it. This should be worked out correctly in accordance with the 45-45-10 percent principle so as to become fully national by September 1993.

Hor Namhong Receives Belgian Envoy 19 Jul

BK2107063493 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 21 Jul 93

[Text] His Excellency [H.E.] Hor Namhong, state minister of the Provisional National Government of Cambodia [PNGC], received H.E. Jean-Maurice Natalis, Belgian ambassador to Cambodia, at the Council of Ministers office on 19 July. The excellency briefed his guest about the current situation in Cambodia under the lofty and skillful leadership of the prince head of state [Prince Sihanouk], who has set up the PNGC headed by Cochairmen Prince Kromluong [royal title] Norodom Ranariddh and H.E. Hun Sen. This is testimony to the genuine national reconciliation which is conducive to the country's reconstruction and redevelopment. H.E. Hor Namhong called on Belgium and the international community to consider the essential and urgent financial needs of the PNGC.

For his part, H.E. Natalis highly valued Cambodia for the solution it has reached and called on all Cambodians to prevent a civil war from breaking out. He also pledged to help the PNGC through the EEC, according Belgium's ability.

Construction, Restoration Agreement Signed With Japan

BK2107075193 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 20 Jul 93

[Text] Cooperation on the construction and restoration of the 37-km stretch of National Route 6A and 14 Bridges along a road from Chroy Changva in Phnom Penh to Cheung Chhnok in Kompong Cham Province was signed by the Provisional National Government of Cambodia [PNGC] and the Royal Japanese Government at the Foreign Ministry at 1000 on 20 July. The project, which will cost $12 million, will be completed within a period of 12 months from the signing date.

Present at the ceremony on the Cambodian side were Prince Norodom Sirivut, minister of Foreign Affairs and International Cooperation of the PNGC; His Excellency [H.E.] So Khun, minister of Transport, and other excellencies and officials of the Foreign, Transport, Public Service, and Planning Ministries. H.E. Yukio Imagawa, Japanese ambassador to the Supreme National Council [SNC], and a number of his aides represented the Royal Japanese Government side.

Taking the floor after the signing of the agreement, Prince Nododom Sirivut said he was very pleased with the reconstruction and redevelopment of Cambodia implemented under the august leadership of Prince Norodom Sihanouk—head of state, father of the Cambodian nation, SNC chairman, and father of the Cambodian national reconciliation—who has restored a genuine peace to Cambodia and the Cambodian nation. On behalf of the PNGC, the prince thanked the royal government and the people of Japan deeply for their assistance and efforts to restore peace to Cambodia, promote economic cooperation, and build and repair bridges and roads in some provinces in the northeast and west of Phnom Penh City.

In his reply on behalf of the Royal Japanese Government, H.E. Yukio Imagawa told the prince that he was extremely happy to sign the agreement and that he was very pleased with the Japanese Government, which had sent troops to join UNTAC [UN Transitional Authority in Cambodia] forces to successfully restore some bridges and National Routes 2 and 3 during the recent elections in Cambodia. He concluded that Japan pledged to strive to complete the construction and restoration on schedule.

Indonesia

Suharto, PRC's Qiao Shi Discuss Spratlys Issue

BK2207073193 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 22 Jul 93

[Text] The PRC wants to see a peaceful solution to the issue of Spratly islands in the South China Sea. House Speaker Wahono said this after he accompanied PRC Parliament Speaker Qiao Shi to pay a courtesy call on President Suharto in Jakarta today. Qiao Shi expressed his hope that the issue of Spratly islands, claimed by the PRC, Vietnam, and the Philipines, will not lead to a serious conflict.

As for his own talks with the PRC visitor, House Speaker Wahono said they discussed among other things cooperation between the two countries' parliaments and the citizeship issue.

Rebel Faction Storms Indonesian Party Congress

BK2207035393 Hong Kong AFP in English 0335 GMT 22 Jul 93

[Text] JAKARTA, July 21 (AFP)—Hundreds of members of Indonesia's smallest political party, disatisfied over its present leadership, have forcibly taken over the party's congress in Medan North Sumatra, press reports said Thursday.

About 400 people forced their way into and occupied the venue of the congress of the Democratic Party of Indonesia (PDI) in the North Sumatran provincial capital of Medanfor for about six hours on its opening day Wednesday, the Antara news agency said.

The attack took place just hours after Indonesian President Suharto had opened the congress, calling on the party, a Christian-nationalist alliance, to first settle its continuing internal rift peacefully in order for it to be able to assume its political role.

Two jeeps burst open the gates to the venue while hundreds of people climbed over the fence and forced their way in before taking over the stage and prompting an adjournment of the day's session, Antara said.

The attackers were part of a PDI faction which has long opposed current chairman Suryadi, including a group of party executives sacked by Suryadi two years ago.

They demanded that their faction be represented in the congress' committee, a demand which the Suryadi camp agreed to discuss Thursday.

After holding the ground for about six hours, local police intervened, ordering the attackers to allow a scheduled speech by Defence Minister Edi Sudrajat. The speech was finally delivered more than three hours late.

Sources in Banda Aceh in the neighbouring province of Aceh, quoted Military Spokesman Brigadier General Syarwan Hamid as saying there late Wednesday that the occupation of the PDI congress was "an illegal action."

Syarwan, who was accompanying Armed Forces Chief General Feisal Tanjung on a visit to Aceh, said the military would continue to support the congress' committee which had been approved by the government.

Suryadi's chairmanship has been challenged by a growing group of PDI members who accused him of allowing the party to make empty promises during the election campaign last year. They also said Suryadi was implicated in an abduction case currently being heard at a court in Jakarta.

A group of party members earlier this month occupied the party headquarters here and set up a shadow "transitional" party leadership. Some unidentified individuals have even sent wreaths and a coffin to Suryadi's home.

Many analysts here have said that Suryadi, put in place by the government following a party dispute in 1986, had lost favor with Jakarta after his skillful performance in the last elections managed to improve the party's standing at the polls.

Under Suryadi's leadership the party became popular among the country's youth and improved its election standing to 14.9 percent of the votes in 1992 compared to the 11 percent of the votes in the previous elections in 1987.

Suryadi also appeared to have lost favor with the military with senior officers, including Armed Forces Chief Feisal Tanjung, calling on party members not to elect a chairman with "legal flaws" in an obvious referrence to his implication in the abduction case.

Suharto Urges Opposition Party To Solve Problems

BK2107085593 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 21 Jul 93

[Excerpts] President Suharto says sociopolitical and mass organizations should solve their internal problems. The national system based on the spirit of togetherness will not proceed smoothly if it is only the government that sets its house in order.

Speaking when he opened the fourth congress of PDI [Indonesian Democratic Party] in Medan today, President Suharto said that, as with other sociopolitical organizations, the PDI also faces numerous problems. The head of state added that the question of the effectiveness of the PDI's political role in the future will largely depend on its ability to solve its internal problems. [passage omitted]

The PDI congress, attended by representatives from 303 nationwide branches of the party, is being held at the Pangkalan Masyur Hajj Pilgrims Center in Medan and will end on 25 July.

Thailand

Team Ready for U.S. Trade Talks

BK2107132193 Bangkok PRACHACHAT THURAKIT in Thai 22-24 Jul 93 p 1, 17

[Phrases in italics published in English]

[Text] A source inside the International Economic Policy Committee [IEPC] told PRACHACHAT THURAKIT that Deputy Prime Minister Suphachai Phanitchaphak is scheduled to lead a Thai delegation to the United States for negotiations with the Office of the U.S. Trade Representative on trade and the protection of intellectual property before 31 July. During the talks the Thai delegation will reportedly present a 10-point report explaining to the U.S. side the relevant actions taken by Thailand and preventing any misunderstanding on the part of the United States which could lead to unwarranted U.S. trade retaliation against Thailand and the retention of Thailand on the U.S. Priority Foreign Country *(PFC)* Watchlist.

The source disclosed that the explanation was compiled in response to the *Summary of Elements* handed to Commerce Minister Uthai Phimchaichon by U.S. Trade Representative Michael Kantor in the form of an annex to a letter on 5 July. The demands for the legal protection of intellectual property put forth in the *Summary of Elements* are rather ambiguous and susceptible to a wide range of interpretations, making it difficult to gauge U.S. expectations exactly.

The IEPC has thoroughly studied the *Summary of Elements* and compiled a 10-point explanation—a three-page summary of the planned actions to be taken in response to demands incorporated in the *Summary of Elements*. The Thai delegation will seek U.S. confirmation during the negotiations that Thailand will be spared from any retaliatory trade action and not be deleted from the PFC Watchlist after the latter has complied with the U.S. demands. The 10 points of explanation are as follows:

1. The US trade representative regards the *Summary of Elements* as an *immediate action plan* for the *out-cycle review* in accordance with the announcement made by Kantor on 1 June and can take any trade retaliatory action against Thailand if the United States is not satisfied with the latter's response. The Thai side maintains that the immediate action plan is drawn up for operational purposes and does not have clear support from the U.S. trade act. This is very dangerous because there is no way of knowing to what extent Thailand must respond in order to gain U.S. approval. Deputy Prime Minister Suphachai will have to try to reach an agreement with the U.S. side that, after Thailand has complied with the demands incorporated in the *Summary of Elements*, the United States must withdraw it from the *PFC* watchlist before 31 July.

2. The U.S. demands as given in the *Summary of Elements* lack clear boundaries and are too extensive. The words *such as* and for example are used in the document. What the Thai side must say to the U.S. counterpart is that there must be no additional demands which may be derived from other ways of interpreting the document.

3. Regarding the suppression of copyrights and trademarks violations, the document says that Thailand must completely eradicate piracy *(To Eradicate Piracy)*. The word "completely" implies that there must not be even a single case of infringement in the country. That is impossible and no country can do that. The United States must recognize Thailand's endeavors to minimize copyright infringement.

4. As for the U.S. demand that Thailand must promulgate a law to empower authorities to impound import and export goods bearing faked trademarks. The Thai delegation will inform the U.S. side that Thai authorities are empowered to perform their duties by the Import and Export Act of 1980 in conformity with the provisions of *TRIPS* [Trade-related Aspects of Intellectual Property] under the Uruguay Round.

5. The United States is demanding that Thailand submit the new draft copyright act to the House of Representatives for deliberation during the current session (before 31 July) and that the draft bill must be in line with the *TRIPS* provisions. The Thai delegation will inform the U.S. side that the draft law has been approved by the cabinet and included in the agenda of the current house session and that Thailand has granted protection to computer software under the category of literary works in compliance with the *TRIPS* provisions. Therefore, the United States cannot cite Thailand's failure to amend its copyright act as an excuse for any trade retaliatary measures as it has pledged to do so in the *Comments on Thai Draft Copyright Law*, which was unofficially handed to the Thai side earlier. Besides, this demand does not exist in the *Summary of Elements*.

6. The United States is demanding that Thailand must provide protection for literary and artistic works in compliance with the *Berne Convention* as amended by the *Paris Act 1971*. In this connection, the Thai delegation will inform the U.S. side that the cabinet is in the process of drafting legislation outlining conditions for international copyright protection and applying to become a signatory of the Berne Convention. Therefore, the Copyright Act will give protection to international literary and artistic works.

7. The United States is demanding protection for *sound recording* works, which must include exclusive rights to copying, modifying, renting, selling, and importing such works. The United Stations will be informed that the protection for this category of products provided by the Copyright Act exceeds that offered by *TRIPS* provisions. However, the exclusive rights to renting, selling, and importing the products run counter to *TRIPS* provisions.

8. The United States calls for the setting of a limit for authorities to demand information on drug recipes from patent holders and the abolishment of Artice 83 (addition) of the Copyright Act 1992 on the penalty for failure to produce information and documents as required by authorities. The Thai delegation will inform the U.S. side that, prior to 15 June—the deadline set by the United States for evaluation of Thailand's response—Thailand, in compliance with the *Summary of Elements*, sent the citeria and procedure involved in the calling for information concerning drug recipes to the United States. However, while Thailand is unable to abrogate Article 83 (addition), the imprisonment penalty has been revoked; violation of this article is subject only to fines.

9. Thailand has sent the draft guideline and procedure of *Compulsory Licensing*, to the United States for consideration before the 15 June deadline and is ready to declare them as ministerial regulations with U.S. consent.

10. The United States demands protection for drugs patented in other countries but not yet marketed in Thailand (*Pipeline Products Protection*). This is the most important issue for the United States and the most problematic one for Thailand. The United States calls for backdated protection for drugs for a period of seven to 10 years. The Thai delegation has to consider this issue thoroughly because it also covers the right of exclusive marketing (*Market Exclusivity*). Thailand can yield to the U.S. demand in practice but is unable to amend the current Patent Act so as to provide retroactive protection for pipeline products because the law was promulgated before 1 January 1993. Moreover, the retroactive protection is not under the GATT provisions. However, Thailand will resort to indirect measures such as imposing safety monitoring periods to give exclusive marketing right to the United States. The source said: "During the talks, the Thai delegation must explain to the U.S. side that Thailand will comply with all the demands stipulated in the *Summary of Elements* and that this compliance should be regarded as closing the matter. Thailand will not accept an interpretation which is based on the ambiguous wording of the document aimed at finding a pretext for trade retaliation and retention of Thailand on *PFC* watchlist."

Source: Army To Buy U.S. Bell Helicopters

BK2207034793 Bangkok BANGKOK POST in English 22 Jul 93 p 1

[Text] THE Army has decided to purchase 20 Bell 212 helicopters at an estimated-cost of 3,000 million baht after a ad-hoc committee formed by the military made its recommendation to Army Commander Wimon Wongwanit that they are the best choice for Thailand, reliable army sources revealed yesterday.

"The selection process is final and the Army will soon negotiate with the company that manufactures the helicopter," a senior army officer told the BANGKOK POST yesterday.

He said the ad-hoc committee was swayed by the fact that all army helicopter pilots are familiar with Bell helicopters and therefore they would have no problems flying the Bell 212 as opposed to the difficulties the would encounter with other models.

The army sources said Gen Wimon has been told of the committee's decision and he agreed with the recommendation.

Gen Wimon earlier stressed the need for transparency in the army selection process of the helicopters.

His four-point policy given to the committee prior to selection says the helicopters must be recognised and used by other armed forces worldwide, approved by the Defence Ministry and acquired through the Thai Army's established procedure. The helicopters must not be a prototype.

The committee, in May, shortlisted three helicopter models from among seven proposed for consideration.

The three included two US-made models—the Bell 212 and the Blackhawk S-70A and the Russian-made Mi-17V transport helicopter.

"The Blackhawk is the most sophisticated helicopter in the world but the price is three times more than the Bell 212 and the Army cannot afford it," said a military source, citing the committee's reason why the Blackhawk has been excluded from the final selection stage.

The source said the proposal or the Mi-17V which is manufactured by the Russian trading firm Aviaexport was quite interesting but the Army was concerned that it may run into maintenance problems if it chooses this model.

Aviaexport has proposed the sale of 33 Mi-17Vs, plus a spare parts stockpile to be set up in Bangkok, a simulator and one free VIP helicopter at a cost of US$130 million, half of which will be used to buy Thai products such as rice.

The source said some members in the committee had expressed concern over possible maintenance problems which prompted a wideranging debate. Finally they came to the conclusion that the Russian transport helicopters were unsuitable for the Thai Army under the present situation.

"We should avoid taking any unnecessary risks," the source commented.

He said the Army would have to provide new training courses for its pilots if it decided to buy Russian helicopters.

The source, a high-ranking army officer, explained that if the Army planned to set up a new helicopter unit then the acquisition of the Mi-17V might be justified.

However, he said the purchase was aimed at replacing decades-old army helicopters which are early Bell models. They are now being phased out of service.

Army officers said during Gen Wimon's four-day visit to Russia that the army commander might have a chance to see a demonstration of the Mi-17V.

However, he doubted that this would alter the Army's decision.

Earlier, Chat Thai Party MP Songtham Phanyadi questioned Gen Wimon's transparency in purchasing the new helicopter fleet.

The Army has clarified that the planned purchase will be conducted directly with the aircraft manufacturer to help reduce unnecessary expenditure paid to brokers.

Army Commander Leaves for Russia 21 Jul

BK2107151393 Bangkok Army Television Channel 5 in Thai 1200 GMT 21 Jul 93

[Text] Army Commander General Wimon Wongwanit, Assistant Army Chief of Staff for Operation Lieutenant General Thawan Sawaengphan, Army Engineering Director Lieutenant General Naruant Kampanatsaenyakon, and other senior officers left for a four-day official visit to the Russian Federation at 0100 this morning. During the visit to the Russian Federation, the army commander and his delegation are scheduled to observe military advances and the operation of high military education institutes and exchange views with the Russian Army commander. In addition, they will also see a demonstration of engineering equipment. Army Commander General Wimon plans to use engineering hardware to support the Army's task of national development.

Firms Count Cost of Switch to Copyrighted Software

BK2107052993 Bangkok BANGKOK POST in English 21 Jul 93 pp 15, 24

[By Tony Waltham and Peter Matri Ungphakon]

[Text] Thai companies are already evaluating the possible cost of "going legal" with their personal computer (PC) software, and estimates for medium to large firms range from one million to ten million baht each.

Some were already calculating the costs before the Cabinet decided last week to submit a bill amending copyright law that would make it a crime punishable by a fine of up to 400,000 baht coupled with a prison term of a maximum of two years for using an illegal copy of computer software.

Experts say much will depend on whether a business depends on smaller personal computers or larger minis and mainframes.

"Our critical software is not on PCs," said Wiset Nakhonchai, senior vice-president in charge of computer systems at Asia Credit Ltd, the finance and securities firm.

Nevertheless, Mr Wiset estimated that his company, which employs 600 people and has a turnover in the region of a billion baht a year, has about 100 PC workstations, running almost entirely with unauthorised or pirated copies of software.

The cost of converting to legitimate software could be 10,000 baht per workstation, he said—a total of just over one million baht throughout the firm.

"We don't have a proper solution yet." The cost could be trimmed by linking the PCs into local area networks so that they can share software and data, but the saving would not amount to much, he said.

Mr Wiset is one executive who started studying the cost of converting to legitimate software even before the Government started moves to amend the copyright law. Although the costs are high, they are absorbable for a finance company and his superiors are becoming more receptive to the idea, he said.

However, smaller companie that rely on PCs, for example retail stores could find that the cost represents a large chunk of their turnover, he said. A local area network of PCs could require operating system software costing 150,000 baht plus 50,000-60,000 baht per station for database software, and 10,000 baht per station for spreadsheets—accounting and charting software.

Software vendors say it was the new bill approved by the Cabinet last Tuesday that spurred the bulk of the business community into action.

Local authorised distributors of software report a spate of enquiries about the cost of obtaining legal copies of popular PC business packages such as Lotus 123 and Microsoft Windows and its applications.

Thaisoft, distributors of Lotus, Autodesk, Novell Netware and Borland products, said that publication of the proposed amendment to the copyright law had already had some impact, with many large corporations having contacted the company about legalising their PC software.

General manager Wira Inthanete said that Thaisoft would shortly sign two large corporate accounts to legalise software for PCs, and he said he expected more to come.

Asked how much increased revenues he anticipated with a software copyright law in effect, Mr Wira said that if the law was passed and was enforced, he expected revenues to be three times his earlier projections for this year, which had been 150 million baht with no clearcut copyright law. This would increase to 450 million baht, he predicted.

One Microsoft distributor, The Valuesoft Vision, was more conservative in its sales growth predictions, and observed that only big corporations, large organisations and medium-sized companies would feel a need to buy original software, since there were many exceptions in the wording of the draft law.

However, he played down the positive impact of the law since it included many exceptions, including government agencies and making copies "for personal use".

Nevertheless, many companies here that had previously freely copied PC software are being forced to consider the cost of "going legal"—with one well-known large conglomerate confiding that it was estimated that this would cost the company 10 million baht.

Other major users commented that, with many PCs and networks within their organisation, they did not have a clear idea how many programmes were being used since no audit procedure had been set up for software.

Since, to a large extent, software had not been a capital cost for most users, many companies were unable to account for what programmes, they were in fact using.

Despite there being no ruling on the existing law on software copyright, the software industry has been growing without specific protection for several reasons. These include corporate policy, support for legitimate software and localised programs that are sold at cheaper prices than their imported, English-only counterparts.

Thaisoft had expected sales to grow between 60 percent and 70 percent this year to 150 million baht before word of a new copyright law, while the PC software industry overall is estimated to be 655 million baht this year by the Association of Thai Computer Industry, with 260 million baht for standard packages, 175 million for customised packages, 150 million baht spent on system software and 70 million baht on database software.

While standard packages account for the single largest amount of expense, there is still limited market penetration by software publishers which are mostly located in the United States and which have only recently targetted markets in Asia.

Only one PC software company—Microsoft Corporation—has invested in a subsidiary office in Thailand whilst it is one of three that has addressed the important issue of developing localised, Thai-language products. The others are Lotus and Borland's dBASE product, which had been localised when owned by Ashton Tate.

Many leading packages, and most non-mainstream PC softwares, are not represented locally while other software publishers will flatly refuse to ship to Thailand. And when they do sell to customers here, the customary support and upgrade offers are all too often lacking, or is a long-distance phone call away.

Ordering a software package from a United States mail order house is possible, and can be cheaper than buying a product locally—even if ordering the software through a courier company that charges 852 baht after VAT [value-added tax] to clear the product through Customs.

However, whichever route a company takes, it would appear that if it is prepared to comply with the proposed software copyright law it will need first to perform an internal audit to see which software packages its various departments are indeed using before it attempts to go about getting a legal copies. And, in many cases, there is likely to be some confusion on the part of the end user whose software came from the supplier of their PC.

As one data processing executive of a bank with 2,000 PCs confided, the bank had obtained its software from the company that it had purchased its PCs from. However, without checking back to the supplier, he did not know whether the software that came installed were legal copies or not.

Chuan Speaks at Banquet for Kazakh President

BK2107101593 Bangkok Radio Thailand Network in Thai 0000 GMT 21 Jul 93

[Text] At Government House last night, Prime Minister Chuan Likphai hosted a dinner banquet in honor of

Kazakh President Nursultan Nazabrayev and his delegation on the occasion of their official visit to Thailand. Addressing the banquet, the prime minister said that he was happy and honored to have the opportunity of welcoming a leader of an independent country from Central Asia such as the Republic of Kazakhstan, who is also making his first visit to Thailand. This is also a good sign that a new era is beginning in relations between the two countries and between Thailand and the Central Asian region. Thailand realizes that, since countries have to depend on each other, it is necessary for Thailand to develop relations with countries in other regions. Although a long distance separates our two countries and the two regions, Thailand intends to promote closer cooperation with Kazakhstan and with the Central Asian region in all fields as much as possible. The visit to Thailand by the Kazakh president shows that the country is interested in Thailand and the Southeast Asian region.

The prime minister said that after Thailand and Kazakhstan established diplomatic relations one year ago, relations between the two countries have proceeded amicably, although they are still at a limited level. He believed an exchange of views between the teo countries during the visit will further promote closer cooperation. In particular, the signing of an agreement on the establishment of a joint commission on bilateral cooperation will pave the way for for the two countries to become trade partners, as the two countries have complementary economies. However, the development of good relations should be farsighted by including the promotion of good mutual understanding of each other's culture among the Thai and Kazakh peoples. This will only be realized when there are contacts and cooperation in all fields and at all levels.

N. African Embassy To Be Established in Morocco

BK2107065893 Bangkok Radio Thailand Network in English 0000 GMT 21 Jul 93

[Text] Thailand will open an embassy in Rabat, the Kingdom of Morocco, which will also be used as the center to promote diplomatic relations with other countries in the region. The plan was approved by the cabinet yesterday following a proposal by the Ministry of Foreign Affairs. The ministry said the Thai embassy in Morocco will handle diplomatic ties with the Arab Maghreb Union and northern African countries, such as Mauritania, Algeria, Tunisia, Libya, and Morocco.

Thailand has established diplomatic relations with these countries for a long period of time and Morocco has always supported ASEAN stance. Morocco can be used as Thailand's production base for export of Thai products to the Arab Maghreb Union and western African countries. Thailand can also use Morocco to promote its tourism in Africa as Morocco is a major tourist destination and an international aviation center in North Africa.

Navy Detains Trawler, Arrests 12 Vietnamese

BK2107025993 Bangkok BANGKOK POST in English 21 Jul 93 p 3

[Text] Songkhla—Two Royal Thai Navy patrol vessels yestertay detained a trawler in Thai territorial waters and arrested 12 Vietnamese aboard on piracy charges.

A search of the boat revealed an automatic rifle, two AK47 rifles and some equipment, the Navy said.

The vessels intercepted the trawler about 100 miles off Songkhla after noting that it did not have a flag.

Inspection revealed that it was a Thai trawler seized earlier by Vietnamese and later modified and equipped with weapons for the alleged robbery of Thai boats in Thai waters, the Navy claimed.

The 12 Vietnamese were taken to the Songkhla Naval Station for questioning.

SRV Province Invites Investments in Fisheries

BK2207033793 Bangkok BANGKOK POST in English 22 Jul 93 p 2

[Text] THE southern Vietnamese province of Minh Hai has given the green light for Thai businessmen to invest in the fisheries and related industries, Deputy Foreign Minister Surin Phitsuwan said yesterday.

"The province is ready to support Thai businessmen," said Mr Surin after emerging from an hour-long meeting with a delegation from Minh Hai.

The delegation led by provincial People's Assembly chairman Tran Van Mien is in Thailand to explore ways of increasing economic cooperation.

Minh Hai is interested in cooperating in the building of fishing vessels, producing animal feed, developing shrimp farms and constructing a new port, said People's Assembly deputy chairman To Cong Hau.

He said the form of cooperation could be either a joint venture between Thai businessmen and the province or a single venture by either party.

Two Thai companies are already operating joint ventures in fishing and shrimp farming in the province.

Minh Hai Province is a rich source of fish with more than 300 kilometres of coastline.

The province is also keen to obtain technology through economic cooperation with Thailand, said Mr Surin.

Bangkok and Hanoi are now working on a new fisheries agreement to replace the one cancelled last year during the Anan Panyarachun administration.

In the absence of a government-to-government agreement, Vietnamese provincial authorities have some power in decision-making on the issue, he said.

The Minh Hai delegates are scheduled today to meet Fisheries Department Director General Plotprasop Suratsawat, who was recently in southern Vietnam.

Since their arrival in Thailand last Friday, the Minh Hai delegates have inspected shrimp farm and fish feed production plants in the southern provinces of Songkhla and Pattani.

They form the second delegation from southern Vietnam to pay a fisheries-related visit to Thailand this year. Mr Surin received delegates from Kien Giang Province in May.

Thailand is stepping up efforts to cement ties with Vietnamese provincial authorities in order to solve fisheries problems and settle questions of sea boundaries in the Gulf of Thailand officials said.

Mr Surin leaves for Songkhla tonight to observe measures laid down by the Thai Navy to protect Thailand's sea boundary there and explore ways of developing shared resources with Vietnam.

Technical officials from the two countries have already started discussing the possibility.

Mr Surin expressed confidence that Thailand could develop a cooperation arrangement with Vietnam similar to the one it has with Malaysia.

He also told the Minh Hai delegation Thailand was serious about establishing a joint development area.

Envoy To Ensure Cambodian Trade Contracts Honored

BK2107074593 Bangkok Radio Thailand Network in English 0000 GMT 21 Jul 93

[Text] The ambassador to Cambodia has been instructed to coordinate with the Provisional National Government of Cambodia to give lenience to Thai traders making trade contacts in Cambodia. The instruction was given by Foreign Minister Prasong Sunsiri at a meeting of all agencies concerned on Monday to exchange views on the situation in neighboring countries. Foreign Minister Prasong said Thailand will pursue the Cambodian Government's promise that logging contracts made before the UN trade nations against the Khmer Rouge will be honored. He said copresidents of the Provisional National Government of Cambodia Prince Norodom Ranariddh and Hun Sen had earlier said they would honor previous agreements made by Thai traders with Cambodia.

The foreign minister said the situation in Cambodia looks promising with national reconciliation. He said Thailand wishes to see all Cambodian parties to solve their own problems and Thailand will give support without intervention in the country's internal affairs.

Finance Ministry Permanent Secretary Named

BK2107035593 Bangkok BANGKOK POST in English 21 Jul 93 p 24

[Text] The Cabinet yesterday appointed Customs Department Director-General Aran Thammano as Finance Ministry Permanent Secretary to replace Bandit Bunyapana who died earlier this month.

Mr Aran, who has two more years to serve before retirement, is replaced by Excise Department Director-General Suphachai Phisitwanit. The new excise chief is Deputy Permanent Secretary Somchainuk Hengtrakun.

A further reshuffle of senior officials is expected in September because two are due to retire, Comptroller-General Manat Liwiraphan and Deputy Permanent Secretary Thawikiat Kritsanamara.

Finance Minister Tharin Nimmanhemin said yesterday that the question of whether Mr Aran would also replace Mr Bandit as chairman of Thai Airways International "will have to be considered carefully".

The Finance Ministry and Transport and Communications Ministry each claim the right to appoint the airline's chairman.

Mr Tharin said yesterday that the decision would have to be based on "overall policy" and would have to be made by the national committee supervising state enterprises.

Mr Tharin said he and Transport and Communications Minister Winai Somphong have agreed that the issue should be submitted to the state enterprise committee, whose chairman is Prime Minister Chuan Likphai, as soon as possible.

Aran Thammano
Born:
February 10, 1935
Education:
BA in Economics,
Thammasat University, 1954
MA in Economics,
University of Michigan, 1958
Ph D in Economics,
University of Oregon
Career:
1982-85 Director-General,
Excise Dept., Ministry of Finance
1985-86 Director-General,
Treasury Dept., Ministry of Finance
1986-90 Director-General,
Fiscal Policy Office, Ministry of Finance
1990-present Director-General,
Customs Dept., Ministry of Finance
Directorships:
Member of the Board of Directors,
Airports Authority of Thailand
Member of the Board of Directors,
Port Authority of Thailand
Member of the Board of Directors,

Bang Chak Petroleum Co., Ltd.

Police To Probe Legality of Seized Assets

BK2207032793 Bangkok BANGKOK POST in English 22 Jul 93 p 3

[Text] CENTRAL Investigation Bureau Commissioner Thanu Homhuan has been appointed to head a police team to investigate whether the assets seized from 10 politicians had been acquired legally.

The appointment was made recently by an order of police chief Gen Sawat Amonwiwat after the Campaign for Popular Democracy [CPD] led by slum activist Mrs Prathip Ungsongtham Hata submitted a request with Interior Minister Chawalit Yongchaiyut.

The CPD's move came after the Supreme Court ruled that the order by the National Peace-keeping Council to examine and seize the assets of politicians suspected of being unusually rich was unconstitutional and the 10 politicians concerned had demanded the return of their assets.

A Police Department source said the committee led by Pol Lt Gen Thanu had begun the investigation.

The investigation had been slow because the committee was still waiting for the official appointment of the new Counter Corruption Commission [CCC] in order to ask for documents prepared by the Assets Examination Committee which had been handed over to the CCC.

Pol Lt Gen Thanu's team aims to find out whether any of the assets had been acquired legally.

Meanwhile, the Civil Court yesterday allowed Finance Minister Tharin Nimmanhemin a 30-day extension in submitting his statement to counter a civil suit filed by former deputy commerce minister Phinya Chuaiplot.

Prosecutor Niyom Bunthongkhong submitted a request on behalf of Mr Tharin saying there were many documents kept at different places which needed to be studied because the case involves a huge sum of money.

Mr Phinya has demanded 38.5 million baht in compensation from the Finance Ministry for failing to return his assets seized at the order of the Assets Examination Committee appointed to investigate politicians suspected of being unusually rich.

The committee was appointed under the now-defunct National Peace-keeping Council's Order No. 26.

The order was later ruled unconstitutional by the Supreme Court.

Mr Phinya's lawsuit was filed on June 25 seeking the return of his assets plus compensation.

AsiaSat Softens Stance in Satellite Squabble

BK2207041093 Bangkok BANGKOK POST in English 22 Jul 93 pp 15, 24

[by Bunsong Kositchothethana in El Segundo, California]

[Text] WORK related to the building and launch of Thaicom 1, Thailand's first satellite, is progressing smoothly towards the scheduled launch on December 4.

The dispute between Chinnawat Computer & Communications (SC&C) and the Hong Kong-based Asia Satellite Telecommunications Co (AsiaSat) over orbit slots for their spacecraft appears to have eased.

SC&C owns and operates the Thai satellites under a 30-year concession with the Thai government.

Dr Nongluk Phinainitisat, general manager of Chinnawat Satellite, a unit of SC&C, said AsiaSat has significantly softened its stance and has become more willing to compromise. During the latest round of talks AsiaSat was receptive to suggestions for technical adjustments of its planned second satellite, AsiaSat-2.

However, AsiaSat executives said that the dispute is still far from being settled. Next fortnight they meet officials of Chinnawat and the Post & Telegraph Department in Bangkok for further discussions.

The chosen orbits of Thaicom 1 and AsiaSat-2 are too close. An antenna on the ground would have difficulty distinguishing between their signals, causing interference.

Thaicom 1 was to be positioned at longitude 101 degrees east while AsiaSat-2 was to be at 100.5E.

In the meantime, the three parties involved in the five-billion-baht Thai project—Hughes Space & Communication of the US, SC&C and Arianespace of France—are working in concert to ensure that Thaicom 1 is launched before His Majesty the King's birthday.

An inspection at Hughes' satellite production facility in this town near Los Angeles where Thaicom 1 is being built, shows that the spacecraft has entered the final stage of manufacturing. Work on the second, identical, satellite, Thaicom II, is in progress.

The president of Hughes Space & Communication, Steven Dorfman, said the company is working on schedule to present Thaicom 1, the lightweight version of Hughes' popular HS 376 model, on the target date.

Al Edgerton, Hughes' Thaicom programme manager, said Thaicom 1 is in the final assembly stage. Testing is being carried out.

Chinnawat Satellite's Dr Somluk [name as received] said that by the end of September Thaicom 1 will be completed and will be shipped to Kourou, French Guyana, for launch by the Ariane 4 rocket in December.

Dr Somluk, one of only two Thai holders of doctorates in satellite science said the parties involved are determined to launch Thaicom 1 on December 4. Delays should not cause the launch to be any later than mid-December.

However, Chinnawat will be able to fix the exact time of the launch of Thaicom 1 in September. By that time the company will have a better idea of the launch schedule of the satellite planned before the Thai spacecraft.

Despite the attempt, Hughes president Dorfman said there are still uncertainties about the launch because there will be several launches of satellites by Ariane rockets prior to Thaicom 1. "So it will be close in terms of meeting the launch prior to December 4," he said.

Dr Somluk said Thaicom 1 will be brought into orbit 35,786 kilometres directly above Thailand, as scheduled, though the disagreement with AsiaSat might not be resolved by the time.

She said AsiaSat should make the adjustment, since its second satellite has just completed the design stage and the spacecraft has not been built. It should opt for other orbit slots which it has already considered. "There are indeed several parameters which they can go for," she said.

Thailand and Chinnawat feel that the Kingdom should have priority over AsiaSat, partly because Thaicom is the country's first and a national project, while AsiaSat has already operated one satellite.

"The orbit is the world's natural resource and nobody should claim sole ownership," Dr Somluk said. The UK Government has already had several satellites in orbit, some of them operated by the Crown Colony's AsiaSat, and should make way for Thailand, she said.

She added that AsiaSat's coverage is Asia, while 70 percent of Thaicom's coverage is for Thailand's own use. But she stressed that the matter is in the hands of the Thai and UK governments.

Dr Somluk is optimistic that the disagreements will be settled amicably by the authorities of the two countries. "I think there is a high degree of willingness to compromise," she said.

It will take 7-10 days to bring Thaicom 1 into orbit after launch and then another three weeks to test the whole system. The satellite will then be put into service by early or late January.

Meanwhile, construction of Chinnawat's second satellite, Thaicom 2, at Hughes' El Segundo plant is under way and looks like meeting the scheduled completion date in March next year. The launch is set for May or June at 78.5E.

Thaicom 2 is part of the $10 million contract with Hughes, which includes the two spacecraft, ground equipment, and training of Chinnawat employees to be satellite controllers.

Chinnawat aims to launch a third communications satellite, Thaicom 3 sometime in the near future. The capacity of the first two spacecraft, each with 10 transponders with two back-ups, will be fully subscribed in the next few years, according to the president of Chinnawat Satellite Somprasong Bunyachai.

The size of Thaicom 3 and its launch will be tied to market demand, which he said is growing rapidly in Thailand and the Asia-Pacific. Thaicom 3 might have 24 or 36 transponders, he said. One transponder can handle one TV channel.

The company has started soliciting users of Thaicom 1, including the five Thai TV channels now using Indonesia's Palapa and IntelSat satellites.

At present, various domestic organisations in Thailand are using 11 transponders, compared to only three in 1990. "That says a lot about how the Thai market is growing," Mr Somprasong said.

While much of the Thaicoms' capacity will be used by Thailand, part of its satellite service will be provided to the countries of Indochina and other Asian countries where their "footprints" can cover, as far as Japan. The initial services to Cambodia and Laos will be for TV.

The company chief said the service charge of Thaicoms will need to be competitive to survive in the world market. The service rate for users has just been fixed by the Thai authorities.

Aside from local TV, Dr Somluk said new users will include state enterprises and the local private sector. Subscription invitations have been sent to more than 20 local organisations.

Meanwhile, Chinnawat Satellite is putting together documents to seek a listing on the Stock Exchange of Thailand and has prepared an application for Board of Investment privileges to make its operations cost-effective.

Chinnawat expects its satellite operations to become the group's flagship business, said Mr Somprasong. Annual revenue expected to be generated by Thaicom's operations will be in the range of 500 million baht.

Hughes president Dorfman said Thailand's decision to have its own satellite is timely as it is able to cash in on the improved efficiency and cost-effectiveness of satellite technology which has become available in recent years.

Vietnam

IMF Delegation To Discuss Resumption of Loans

BK2207025893 Hanoi Voice of Vietnam in English 1000 GMT 21 Jul 93

[Text] The International Monetary Fund [IMF] is to discuss with the Vietnamese Government its resumed credit loans. Mr. (Erick Dritel), IMF representative in

Hanoi said: The issue will be dealt with during the visit to Vietnam by an IMF delegation at the end of this month.

Deputy Foreign Minister Visits Libya 17-20 July

BK2107152793 Hanoi VNA in English 1437 GMT 21 Jul 93

[Text] Hanoi VNA July 21—Deputy Foreign Minister Nguyen Duy Nien paid a visit to Libya from July 17-20 at the invitation of the General People's Committee for Foreign Affairs, Foreign Ministry of Libya. During his stay there, he held talks with his Libyan counterpart, T. Jerbi. The Libyan side expressed satisfaction at the Vietnamese people's achievements in their renovation process and the fine development of the friendship and cooperation between the two countries. Deputy Foreign Minister Nguyen Dy Nien reiterated the Vietnamese Government and people's desire to strengthen and develop cooperation with Libya in all fields, especially in economy. He expressed wish for soon setlement of crisis around the bombing in Lockerbie by peaceful means on the basis of respect for national independence and sovereignty in conformity with international laws and also for an early lifting of embargo against Libya so that the Libyans could concentrate on a prosperous and happy country.

Discusses Regional Cooperation

BK2107100193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 20 Jul 93

[Article by Deputy Foreign Minister Nguyen Duy Nien: "Moving Toward A New Southeast Asia in the 21st Century," published in the recent WORLD AFFAIRS Journal in connection with the upcoming ASEAN Foreign Ministerial Conference in Singapore—date not given]

[Excerpt] [passages omitted] Whether a new Southeast Asia in peace and prosperity can take shape or not depends chiefly on the ability of the regional countries to catch up with historical developments and bring their roles into full play in the international arena.

As part and parcel of the political system of the region and in response to world events, Vietnam is determined to implement its renovation undertaking, and is also changing its foreign policy and attaching importance to regional cooperation and the diversification of foreign relations. Vietnam has also firmly shifted to the market economy. It is striving to promote social justice, encourage democratic activities, and build a law-governed state. These tasks and their results will create a general impact and are an important rerequisite for security and cooperation in the region.

Events in 1992 have marked a new era in the Vietnam-ASEAN relations. For the first time, Vietnam has joined the regional treaty of amity and become an observer within ASEAN. This is an essential and fundamental step for Vietnam to enable it to participate in the multifaceted cooperation that is part of the regional life. Vietnam's efforts in this regard will not only serve its own interests but also those of countries in the region. Together with other member countries, Vietnam will also implement the principles of the treaty for a Southeast Asia of peace and development.

At the present time, the international and regional situations—which include Vietnam-ASEAN relations—have changed. The changing events demand new approaches to building the ideologically disintegrated Southeast Asia into a community of diversified nationalities in which people cooperate with one another for the common interest, prosperity, vitality, and development of the region.

What are the new approaches we are talking about?

First, we must reach a consensus on forgetting the past and looking into the future with goodwill and a high sense of responsibility toward determining our own fate and destiny and rebuilding our region. To achieve this goal, we should not allow bitter experiences in the past to affect the current healthy relations in the region.

Second, we should reach a consensus on the concept of assimilation [hoaf nhaapj]. We should understand that cooperation between Vietnam and ASEAN on accelerating the process of assimilation involves a common effort and a contribution by both sides toward attaining the agreed-upon objectives and principles. Assimilation here does not mean that Vietnam must be immediately attached to ASEAN. This is because the requirement for the assimilation stemmed from the vital interest of countries in the region and not from Vietnam alone. This assimilation will bring about peace and common prosperity for regional countries while creating favorable conditions for these nations to participate in worldwide cooperation.

Third, we should have a realistic look at the possibilities of Vietnam joining ASEAN. We should assume that the economies of Vietnam and ASEAN are two different machines with different capacities that need to be combined into one network. As a result, a period of time will be required for each side to make adjustments in order to ensure a safe and effective combination. When a joint governments mechanism has been established to accelerate regional cooperation, Vietnam-ASEAN bilateral relations will play a very significant role in expanding multilateral cooperation. Moreover, Vietnam can immediately accelerate multilateral relations to adapt itself step by step to the ASEAN mechanism. As a result, Vietnam-ASEAN relations in the future will be of a bilateral and multilateral nature. These relations will help one another to develop further and, as a result, the differences in the economic capabilities of countries in the region will be gradually narrowed. This will bring about a single common concern for the region.

Fourth, we should have a clear concept on the structure, value, and common interests in such vital issues as economic development and regional cooperation, which are aimed at maintaining stability, strengthening security, and enhancing the relations of peace and development with countries outside the region. The AFTA [ASEAN Free Trade Area], for instance, is not designed as a sub-regional order, but rather it should serve the interests of all countries concerned and support all negotiations, including the settlement of regional and international issues. If the regional structure faces difficulty, we should set up a nongovernmental mechanism to discuss and exchange views. We should strive to overcome the differences that used to divide us in the political and security domains, build new confidence, step by step improve the capability in economic development, and accelerate cooperation relations in the cultural, social, and other domains in the daily life. These are tasks that we must achieve in entering the 21st century in order to build a Southeast Asia of peace and prosperity.

It is encouraging to see the emergence of the new international situation, especially the establishment of the new order and forces in an atmosphere of enhanced cooperation in Southeast Asia. This will serve as an objective base for the efforts to build a unified Southeast Asia in the next century.

It is necessary to say that, at present all countries in the region and the world have set peace and development as their top priority requirement and are serious in resolving various pressing problems. They have advocated peaceful negotiations in settling issues in the interests of each country and those of the region and the world as a whole.

National Assembly Chairman Receives Egyptian Envoy

BK2107152193 Hanoi VNA in English 1437 GMT 21 Jul 93

[Text] Hanoi VNA July 21—Chairman Nong Duc Manh received here this afternoon Egyptian Ambassador Nabil Salih Fahmi who paid him a courtesy visit. The Egyptian diplomat informed Chairman Nong Duc Manh about the recent developments in the relations between the two countries, particularly Egypt's efforts to promote these relations. For his part, Chairman Nong Duc Manh highly appreciated Ambassador Fahmi's contribution to promoting the ties of friendship and cooperation and the mutual understanding between Egypt and Vietnam. He also expressed his hope for the further development of the relations between the two countries.

Receives Malaysian Envoy

BK2107153393 Hanoi VNA in English 1432 GMT 21 Jul 93

[Text] Hanoi VNA July 21—Malaysian Ambassador N. Parameswaran today paid a farewell visit to Chairman of the National Assembly Nong Duc Manh before ending his mission in Vietnam. Speaking to Ambassador Parameswaran, Chairman Nong Duc Manh highly appreciated his great contributions to promoting mutual understanding and trust between the two governments and peoples, which, he said, were clearly manifested in the increasing of bilateral relations of various branches of activities of the two countries. The Vietnamese leader wished the friendship and cooperation between the two nations further development.

Function Marks 40th Anniversary of Cuban 'Victory'

BK2107154193 Hanoi VNA in English 1432 GMT 21 Jul 93

[Text] Hanoi VNA July 21—A cordial get-together with the staff of the Cuban Embassy in Hanoi was held by the Vietnam-Cuba Hospital here on Tuesday to mark the 40th anniversary of Cuba's Moncada victory (July 26). Prominent among the guests were Cuban Ambassaderess Tania Maceira Delgado, representatives of the Hanoi People's Council and the Health Ministry. In a cordial atmosphere, the participants recalled the Cuban people's brilliant achievements, beginning with the attack on the Moncada barracks of the Batista regime 40 years ago, under the leadership of the Cuban Communist Party headed by President Fidel Castro. Speaking on this occasion host and guest reaffirmed the friendship between the peoples of Vietnam and Cuba, the newest manifestation of which was a recent Cuba visit by Prime Minister Vo Van Kiet.

Tokyo Seminar Discusses Hanoi Investment, Business

BK1907080693 Hanoi VNA in English 0603 GMT 19 Jul 93

[Text] Hanoi VNA 19 July—A seminar on investment and business in Hanoi was held in Tokyo recently jointly by the Japan-Vietnam Trade Relations Association and the People's Committee of Hanoi. Participants in the seminar were 100 representatives of international and Japanese organizations and a delegation of Hanoi led by Mayor Le At Hoi. Speaking on this occasion, Chairman of the Japan-Vietnam Trade Relations Association K. Iwai stressed that the opening of the Japanese consulate in Ho Chi Minh City early this year and the recent visit to Japan by Prime Minister Vo Van Kiet showed a new development step in the Japan-Vietnam relations. He expressed his hope that Japanese investors will increase cooperation with their Vietnamese partners for the development of Hanoi, thus promoting the friendly relations between the two countries. Mayor Le At Hoi, for his part, informed the participants of the socio-economic achievements of Hanoi over the past three years. He also spoke of investment opportunities in Vietnam in general and in Hanoi in particular. The Hanoi People's Committee delegation began a nine-day Japan visit on July 12 before the seminar, Mayor Le At Hoi held working sessions with a number of officials of Japan's Foreign Ministry. The Japan International Cooperation Authority, the Ministry of International

Trade and Industry, and leaders of some major industry and business groups of Japan. Also Le At Hoi and his party will visit Taiwan and Hong Kong.

Agreement With Australia Provides Commodities Aid

BK2107140493 Hanoi VNA in English 1304 GMT 21 Jul 93

[Text] Hanoi VNA July 27—Under a current bilateral aid program, Australia this year is supplying Vietnam with commodities valued at six million Australian dollars.

Under this arrangement Vietnam will receive steel for bridge building, malaria drugs, wool for clothing manufacture and water pipes for Vung Tau.

A subsidiary arrangement in this connection was signed in Hanoi on Tuesday by Australian Ambassador Michael Potts and Vo Hong Phuc, vice chairman of the State Planning Committee. The signing of the document was to formalise arrangements for the supply of the commodities which will begin arriving this month.

The supply of commodities from Australia will help Vietnam improve its infrastructure, health services and industry. Last year Australia presented Vietnam with urea fertilizer and drugs for the control of malaria.

The provision of Australian wool is designed to encourage the establishment of a new manufacturing industry in Vietnam for the export of woollen clothing to countries to the north, such as Japan. An increased export of wool will also be beneficial to Australia by opening up a potential new market and crating links with the textile industry in Vietnam.

Presidential Office Holds Press Conference on New Laws

BK2107100393 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 20 Jul 93

[Text] The Office of the President of the State convened a press conference in Hanoi on the afternoon of 20 July to make public an order of the President of the Socialist Republic of Vietnam [SRV] promulgating a number of legal documents after they were adopted by the Ninth National Assembly's Third Session. Comrade Nguyen Viet Dung, director of the Offfice of the President of the State, presided over the press conference.

Comrade Ho Te, minister of finance, presented the contents of the amendments or supplements to a number of articles of the business, special consumption, income, and import-export tax laws. Comrade Phan Hien, deputy minister of culture and information, presented a number of points on the law on publishing activities. Comrade Trung Thien, assistant to the prime minister for oil and gas, presented a number of issues relating to the law on oil and gas.

The following are the laws adopted by the Ninth National Assembly's Third Session:

—The law on amendments or supplements to a number of articles of the business tax law;
—The law on amendments or supplements to a number of articles of the special consumption tax law;
—The law on amendments or supplements to a number of articles of the income tax law;
—The law on amendments or supplements to a number of articles of the import-export tax law.
—The law on oil and gas; and
—The law on publishing activities.

President Le Duc Anh has signed an order promulgating the aforementioned laws and the mass media will introduce them to the public soon.

VNA Reports Press Conference

BK2107135893 Hanoi VNA in English 1300 GMT 21 Jul 93

[Text] Hanoi VNA July 21—The head of the President's Office Minister Nguyen Viet Dung held a press conference here yesterday to make public the new laws and other legal documents adopted by the third session of ther 9th National Assembly recently.

The new laws were successively presented by Minister of Finance Ho Te, Phan Hien who headed the drafting committee for the Publication Law and Truong Thien, director general of the Oil and Gas Corporation. Minister Ho Te said that the new laws on revenue tax, special consumption tax and export and import tax will create conditions for promoting production, enhancing guidance, strengthening enforcement of tax collection and stepping up the fight against tax fraud and evasion.

Introducing the Publication Law, Phan Hien said that the two major aims of the law are to ensure the right of citizens and organizations to artistic and literary creation and to disseminate their works while enhancing state management of publication activities.

Director General Truong Thien made known that the Law on Oil and Gas will take effect on September 1, 1993.

An Giang Deals With Corruption, Smuggling

BK2207020493 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 20 Jul 93

[Text] An Giang provincial authorities have completed an investigation on 80 cases of corruption, smuggling, and counterfeit and has forwarded them to the courts for trial. Among them, 26 are corruption and counterfeit cases involving 35 offenders; 54 are smuggling and illegal trading involving 98 persons.

The court has tried nine corruption and 15 smuggling cases respectively involving 14 and 37 offenders. The court has handed down various sentences with the maximum penalty up to four years' imprisonment.

Melanesian Spearhead Conference Held in Rabaul

Solomons Premier Aims To Improve Ties

BK2007073893 Melbourne Radio Australia in English 0500 GMT 20 Jul 93

[Text] The prime minister of Solomon Islands, Francis Billy Hilly, has told the Melanesian Spearhead Conference in Rabaul that the main aim of his newly elected government will be to improve relations with its immediate neighbors. Correspondents covering the conference said Mr. Hilly's remarks were apparently intended to mark an end to tension between his country and Papua New Guinea [PNG] as a result of the Bougainville crisis. Mr. Hilly told the conference that the South Pacific was facing many challenges and that the island countries could not isolate themselves if they wish to move with the time. The Spearhead Group comprises PNG, Solomon Islands, Vanuatu, and the FLNKS [Kanaka Socialist National Liberation Front] independence group in New Caledonia.

Fiji's Deputy Prime Minister (Ratu Timape Vesicula) told the conference that his country was interested in becoming a full member of the group. Fiji currently has observer status with the organization.

Vanuatu Proposes Including Kanaks

BK2107091393 Melbourne Radio Australia in English 0800 GMT 21 Jul 93

[Text] At the Melanesian Spearhead Summit Conference in Rabaul, Vanuatu has surprised other delegations with a suggestion that the group invites Kanaks, who oppose independence for New Caledonia, to join it. Sean Dorney reports that the suggestion has been rejected.

The Vanuatu Government is led by the president, Maxime Carlot, who's had very difficult relations with the New Caledonian pro-independent coalition, the FLNKS [Kanaka Socialist National Liberation Front]. However, Vanuatu is represented at the summit by the deputy prime minister, Sethy Regenvanu, who in the past has been a strong advocate of New Caledonian independence. Dorney says it, therefore, came as something of a shock to the other delegations when Mr. Regenvanu made his suggestion.

Micronesia

Group Requests Compensation for U.S. Nuclear Tests

BK2107075293 Melbourne Radio Australia in English 0500 GMT 21 Jul 93

[Text] A group of people from the Federated States of Micronesia say they will seek compensation from the United States for health problems caused by nuclear tests on Bikini Atoll. Thirty-four people from Kosrae Island claimed they worked on the former nuclear test site which is on the Marshall Islands.

The chairman of the Kosrae State Legislature's inter-external affairs committee, Alex Phillips, says the people are hired to help clean up Bikini after the nuclear test program ended 40 years ago. Mr. Phillips said he's written to the Micronesian Foreign Ministry asking to press a claim for compensation from the United States for health problems suffered by the group.

However, Radio New Zealand says officials in Washington claim they have no records of members of the group having worked on Bikini. The United States has begun paying compensation to Marshall Islanders who have suffered health problems as a result of American nuclear tests.

New Zealand

Winston Peters Announces New Political Party

BK1807084493 Hong Kong AFP in English 0733 GMT 18 Jul 93

[Text] Wellington, June 18 (AFP)—The formation of a new political party was announced Sunday by New Zealand's most popular politician, Winston Peters. Peters, a former minister in the ruling National Party until he fell out with the leadership last year, has since then been an independent in parliament. Now he is the leader of the New Zealand First Party, announced at a rally in Auckland.

The Maori MP, consistently shown in the polls as a preferred leader to Prime Minister Jim Bolger and the leader of the official opposition Labour Party, Mike Moore, said his party would contest all 99 seats in the general election expected to be called for late November.

He issued a list of 15 principles with reducing unemployment the top priority. He also pledged to slash government spending on consultants, reduce the number of MPs to 80 and give his representatives in Parliament the freedom to vote however they wanted on legislation.

The charismatic MP has support mainly from people who have suffered from government cuts to welfare spending and pensioners who were promised a better deal by the ruling National Party before the last election, which they did not get.

Political observers considered the new party would split the opposition vote in the forthcoming election and could help National retain power.

Latest opinion polls show the government holding a slight lead over the Labour Party. The only other opposition is the Alliance, a coalition of five small parties which is in danger of splintering. Some of its members have already quit and have said they will join Peters.